

**Southwest Wisconsin Workforce Development Board
Meeting Minutes
September 13, 2006**

The Southwest Wisconsin Workforce Development Board Meeting was held on September 13, 2006, at 5:00 p.m., at Richland County DHSS, in Richland Center, Wisconsin.

Attendance was as follows:

BOARD MEMBERS PRESENT	
Private Sector	Public Sector
Ms. Margery Tibbetts, 1st Vice Chair	Ms. Amy Banicki
Ms. Tammie Engelke	Ms. Ann Greenheck, CLEO
Ms. Anne Hore	Mr. Randy Jacquet
Ms. Jennifer James-Baker	Dr. Karen Knox
Mr. Tom Schraeder	Mr. Tom Larsen, Secretary
	Ms. Suzanne Lee
	Mr. Orzechowski
	Mr. James Otterstein
	Mr. Bruce Palzkill
	Mr. Geoff Upperton
	Mr. Larry Ward
(5)	(11)
	Total (16)
BOARD MEMBERS EXCUSED	
Private Sector	Public Sector
Mr. Gary Bezucha	Dr. Gary Albrecht
Mr. Charles Elliot	Ms. Carmen Granados
Mr. James Finley, Treasurer	
Ms. Cindy Harrington	
Mr. Ken Hendricks	
Mr. Tom Hogan	
Ms. Regina Prude	
Mr. Steve Scaccia, 2 nd Chair	
Ms. Shari Schaff	
Mr. Scott Stocker, Chair	
(10)	(2)
STAFF PRESENT	
Dr. Robert Borremans	Ms. Shannon Moe
Ms. Amy Charles	Ms. Petra Reinhardt
Ms. Annette Meudt	Ms. Barb Tucker

1. Welcome and Tour of Richland County Human Services Building

Margery Tibbetts, 1st Vice Chair, called the meeting to order at 5:06 p.m. Chairman Scott Stocker had notified the office that he was unavailable to attend. Ms. Tibbetts then announced a new Board Member, Ms. Anne Hore, Director of Employee Services at Lands' End.

Mr. Jacquet and Ms. Kari Oates gave the Board a tour of the Richland County DHSS offices and the Richland County Job Center.

2. **Call to Order; Introduction of New Board Members and Guests**

The meeting was reconvened at 5:50 p.m. following the tour and dinner. Ms. Tibbetts introduced Mr. Randy Jacquet, Director of Richland County Health and Human Services Department, who then announced Ms. Ann Greenheck, Richland County Board Chair, who was recently appointed Chief Local Elected Official (CLEO), as a new Board Member.

3. **Informational Program – Department of Workforce Development (DWD) Presentation**

Ms. Tibbetts introduced two Department of Workforce Development (DWD) administrators – Mr. Bill Clingan, Administrator, Division of Workforce Solutions, and Mr. Gary Denis, Acting Director, Bureau of Workforce Programs, DWD/DWS.

Mr. Clingan thanked the Board for the opportunity to speak with them and said he wanted to share information about where DWD is headed. He said he also wanted to hear from the Board about things that needed to be addressed either by DWD or the Department of Labor.

He continued that when DWD thinks of economic development it is synonymous with workforce development. The Governor has been very clear that he wants the state to move forward. Over the past three years, there has been an economic turnaround in Wisconsin with about 170,000 new jobs created. The state has seen exports increase 40%. Unemployment is also down. However, there is still a lot of “heavy lifting” to do. Milwaukee still has some severe problems to address. About half of the students do not graduate from high school and Milwaukee has one of the highest teen pregnancy rates in the nation. Manufacturing job loss has also been difficult in Milwaukee.

Mr. Clingan said that Job Service in Wisconsin used to have 1,500 employees and the number has decreased to a few hundred. DWD is primarily supported by federal funds and these funds have been cut substantially. He also noted that in the mid-1990s there was a lot of money available in the TANF program and other programs to build Job Centers and the number of centers in Wisconsin went from 22 to 72. He further noted that all funding for workforce development programs comes from federal WIA dollars and that WIA funds have been sharply reduced.

Since federal dollars are decreasing, the state needs to look at new ways to deliver services. To address the loss of funds, staffing and program cuts were necessary, and new priorities had to be established. As an example, Job Service had 150 career counselors; today they have seven. So, DWD had to look at a different way to provide career guidance. That has led to a redesign of the Job Center system and new service standards and priorities.

DWD has also recognized that Job Service staff cannot do all things. Job Service will be implementing a specialization plan. Rather than one person at a Job Center serving both job seekers and employers, Job Service staff will focus on either jobseekers or employers. The Job Service specialization plan will attempt to match staff strengths to service delivery areas.

DWD, in prioritizing services, has focused on high wage jobs. That does not mean that other employers should be ignored but staff should focus on knowing what high wage jobs exist in the area and what skills are needed for those jobs. The goal is that when a Job Service specialist talks with a job seeker, he/she should be made aware of the path to a high wage job.

Mr. Clingan introduced Mr. Gary Denis, Acting Director of the DWD/DWS Bureau of Workforce Programs. Ms. Connie Colussy, who attended the SWWDB meeting last January has been on sick leave but will be back in January

Mr. Denis said that he does not know when WIA will be reauthorized. Congress has been working on this for a couple of years and it could happen this year but there is no way of knowing.

Department of Labor (DOL) is pushing two (2) new priorities. First, local economies are not constrained by local boundaries; therefore, there should be more of a regional effort to economic and workforce development. Second, more training must happen in the workforce system. DOL has implemented a program called Workforce Innovations in Regional Economic Development (WIRED). Wisconsin competed for the WIRED funds, but was only awarded a few hundred thousand dollars for a "virtual" wired grant in Southeastern Wisconsin. To address training, DOL has proposed the Career Advancement Account (CAA), which is like an individual IRA. It gives \$3,000 to a jobseeker to be put toward training. DOL is channeling money away from the Workforce Investment System and moving it towards the Community College System. DOL believes that the Workforce System is overburdened by multiple layers of governance and that the system must respond to business needs more quickly and get people trained faster.

Mr. Denis noted that in January 2005, DWD began a process to improve Job Center Service delivery. Phase I involved submission of an updated WIA Local Plan using the "old" guidelines. Phase II began in December 2005 when DWD asked Boards to engage in a more strategic discussion with their workforce system partners and submit an update to the WIA Local Plan. The updated plans were due March 31, 2006. This was followed by a Request for Memorandum of Understanding (MOU) among partners for each Comprehensive Job Center (CJC), due in July. The most recent portion – the Business Services Plan – was due September 1, 2006 and describes how business services will be delivered in the area. At the present time, none of the business plans have been approved. However, unlike several other areas, SWWDB has submitted all of the necessary documents. The process should be completed by the end of October.

Mr. Denis said that one of the new key initiatives coming out of the redesign process is a commitment on high wage jobs. DWD has asked local workforce boards to invest 35% of their adult and dislocated worker money in training for high-wage occupations.

Mr. Clingan and Mr. Denis asked if the Board had any questions.

Mr. Palzkill said that he had mixed feelings about the 35% requirement focusing on high wage employment noting that job seekers do not have the skills needed for that type of job. Mr. Denis said that there is a career ladder provision that allows a job seeker time to progress up the ladder to a high wage job. Also, DWD is convening a workgroup this fall and Dr. Borremans will be a member of that group. But, ultimately, DWD would like to see WIA funds targeted toward employment that gives the workers the opportunity to be self-sufficient and support their family. Mr. Clingan said that there are a lot of WDAs that are already doing that, using the 35% standard guidelines results in an increase of \$500,000 in high wage training statewide.

Mr. Upperton said that everyone is interested in helping job seekers find high wage, high growth jobs, but the 35% requirement has put a lot more restrictions on the WDBs. The graduate follow-up information shows that only a handful of local Technical Colleges meet the high wage criteria and many of those are filled or have waiting lists. Dr. Borremans said that originally about 11 local Technical College Programs met the \$12.93/hour wage requirement. But, now the statewide technical college graduate follow-up data can be used and this opens the opportunity to more programs.

Dr. Karen Knox said that she looked at the top ten programs on the most recent Five-Year Graduate Follow-up Report. Using that report brings several programs – such as the Microcomputer Specialist – into the acceptable range when they would not be qualified under the annual reports currently being used. Mechanical Design is another program that showed high wages but got knocked out because last year it showed a wage lower than \$12.93, but in other years the wages were higher. So, she thinks the DWD should look at more than one year's information on wages.

Dr. Borremans added that if DWD would use the five-year longitudinal study from the technical colleges, it would provide a better comparative picture. Currently, using the annual reports compares entry-level wages while the median wage figure is for all jobs. The median wage does not differentiate whether the person has worked for 1 year or 30 years. Mr. Denis said that this is not a new comment and that it will be looked at by the repair committee.

Mr. Larsen noted that most of the “high wage” training programs will be two-year programs so WDBs will be serving fewer participants because program costs will be higher. Mr. Denis said that if the Board works with the Technical Colleges perhaps different, shorter term programs can be developed that will help the Board to meet the standard. Mr. Clingan spoke of a Milwaukee business that needed welders. They worked with the technical college to develop a customized program to train welders related to their specific business processes. This avoids having to send someone to a technical college for two-years and is responsive to the business's needs.

Mr. Otterstein said that the technical college information might not be the best information available for wages and suggest that other avenues should be explored. Targeted programs in the marketplace are difficult to implement. If the resources are not available or if the resources available are so targeted to be unusable, it difficult to accomplish the workforce development mission of the Board. Workers need to have a career ladder, and employers need on-the-job (incumbent) worker training because employed workers often do not have time or energy to take classes after their workday, and they do not want to commit to a one- or two-year training program. Right now, the system does not address the needs of workers or employers, and it is something that needs to be acted on quickly. Mr. Clingan said that DWD was seeking a waiver from DOL to use funds more flexibly for incumbent worker training.

Dr. Knox asked what DWD has done to make the employers understand this new high wage focus. She said that the Governor told her that she must train more welders and tool operators but now they don't qualify for the \$12.93/hour starting wage jobs. Employers need to get into the high wage category if they want trained employees. Things are not matching very well right now.

Due to time, Ms. Tibbetts ended the discussion and thanked Mr. Bill Clingan and Mr. Gary Denis for coming.

4. Informational Program – Community Audit Presentation

Mr. Upperton said the AFL/CIO has joined the “High Road Network” organization from the “Working for America Institute” and that he and Tom Larson are members.

Mr. Upperton handed out information he received at a recent conference that explains “High Road Community Audits.” The “High Road Community Audit” is a way of taking a comprehensive view of a regional economy, exploring both the demand side needs of employers and the supply side needs of the workforce. The process includes a comprehensive strategic plan and suggested that this might be something SWWDB should consider doing. He

said that WIA money can be used for a community audit.

Mr. Otterstein said that this should be referred to the appropriate committee for consideration. He noted that he thought that some of the data used in the audit was available and could be plugged in to get the process started. Mr. Upperton said that the information may be available but often it is not shared, so this might be a good way to share information while working towards the goal of high wage/high growth jobs.

5. **Approval of SWWDB Meeting Minutes** (Enclosure 1 on file)

Motion by Dr. Knox, seconded by Mr. Upperton, to approve the minutes of the June 14, 2006 SWWDB Meeting as presented. **Motion carried unanimously.**

6. **Financial Report** (Enclosure 2 on file)

Ms. Annette Meudt presented the financial statement for August, 2006. She noted that there are two new grants included in the budget – \$100,000 for the “Virtual” Job Center project and \$20,000 for the Safe Lifting project with Mercy Health System. She also noted that \$55,152 has been added for a new leased employee contract with Richland County. Most of the grants began July 1 so expenditures are low right now but will catch-up in the next couple of months.

Motion by Mr. Palzkill, seconded by Mr. Ward, to approve the financial report as presented. **Motion carried unanimously.**

7. **Unfinished Business**

None.

8. **Consent Agenda**

A. **Approval of the SWWDB Training and Support Service Payment Policy** (Enclosure 3 on file)

Policy E-420 – Training and Support Service Payment is an update of an informal policy currently used to pay participant training and support service costs. Tom Larson questioned the term “lifetime” as used in the policy and whether it meant the lifetime of the person or the program. Dr. Borremans said that it is for the lifetime of the person. Mr. Larson said that it should be made clear. Mr. Upperton asked what would happen if someone enrolled in an adult program and then comes back several years later as a dislocated worker. He questioned why the person would not be eligible for additional services.

Mr. Larson also asked about the language on waivers and who has the authority to grant a waiver – the Board or the management? Dr. Borremans replied that it was intended that management would grant waivers. He also noted that the waiver would be used in situations where a person has used their “lifetime” amount but needs additional services. Mr. Larry Ward suggested that an appeals process might be used allowing for additional services when circumstances outside a person’s control make them eligible for further assistance.

Dr. Borremans said that management could review the policy with the Program Operations Committee (POC) and bring it back in December. After a short discussion, Mr. Upperton moved and Mr. Larson seconded a motion to send the Training and Support Service Payment Policy back to the POC for clarification of the issues discussed. **Motion carried unanimously.**

- B. **Approval of the SWWDB Payment Authorization System Policy** (Enclosure 4 on file)
Policy E-410 – Payment Authorization System formalizes a system used by SWWDB for several years for the payment of participant related costs. Mr. Palzkill moved and Mr. Schraeder seconded a motion to approve Policy E-410 – Payment Authorization System.
Motion carried unanimously.

9. **New Business**

A. **Executive Committee** (Minutes on file)

The Executive Committee met on Monday, September 11, 2006. Minutes of that meeting were distributed. Dr. Borremans noted that the committee heard a report from Elizabeth Menzer, Executive Director of Forward Wisconsin on SWWDB's Baldrige Express Self-Assessment. SWWDB's overall score was 375. This is a good score considering that Baldrige Award winners usually score in the range of 600-700. SWWDB's overall and category scores were consistent with the other WDBs. The 121 page statistical report is available for any board member who is interested. The Executive Committee will discuss the next steps when they meet next.

B. **Finance Committee**

Minutes of the June 14, 2006 meeting. (Enclosure 5 on file)

Mr. Schraeder said that the Finance Committee met prior to the meeting. One of the items discussed involved the audit firm's presentation of the annual audit. In the past the audit firm has made presentations to both the Finance Committee and the full Board. This year it is suggested that the detailed the audit report be presented only to the Finance Committee, with only a briefing to the full Board. Any board member interested in hearing the full audit report is invited to attend the Finance Committee meeting. It was the consensus of the Board that this suggestion was reasonable.

C. **Program Operations Committee**

Minutes of the July 18, 2006 meeting. (Enclosure 6 on file)

Dr. Knox noted that the Policy E-420 would be coming back to the POC, whose next meeting will be moved to October 24, 2006.

Mr. Otterstein asked about the amount of disallowed costs. Dr. Borremans replied that the total was \$1,097.

1. **Consideration of 35% High Wage Training Requirement** (Enclosure 7 and attachments on file)

Barb Tucker said that DWD has prepared a list of frequently asked questions about the 35% requirement. While DWD has shown some flexibility, as heard earlier in the meeting, they are committed to having WDBs use 35% of their WIA allocation on training for high wage jobs.

Dr. Borremans stated that SWWDB staff has actively worked with program operators to achieve the 35% requirement. Last year, SWWDB spent 27% of its WIA allocation on training. To achieve the 35% guideline, SWWDB has required that all training

must be limited to programs that meet the median wage criterion. Program operators, particularly Mr. Upperton and Mr. Palzkill, are rightly concerned about this change, and the negative impact this could have on participants and program operations. Dr. Borremans feels that staff understand the concerns of program operators, but given the insistence of DWD to the high wage goal it would appear that SWWDB needs to make reasonable efforts to comply.

Mr. Otterstein said that Job Center and program operator staff need to communicate this requirement in a positive way to the private sector. He is already hearing from businesses that workforce development is not able to help them.

Mr. Upperton added that another issue is that only programs which have a credential are eligible for funding. If a worker needs just a few courses to get a good paying job, he/she cannot be helped. Dr. Knox said that the technical colleges could give a credential if the training involves more than one course.

No action was taken.

2. **Consideration of AFL/CIO Application as an Eligible Training Provider for Nurse Aid Training** (Enclosure 8 on file)

Mr. Upperton said that the AFL/CIO became interested in starting the Nurse Aide Training when several of their clients expressed interest in the nurse assistant program. When they tried to enroll participants in the Blackhawk Technical College (BTC) program, the classes were full and there was a waiting list. The AFL/CIO worked with a private company who had a Nurse Aide training program and they submitted an application to be designated as an Eligible Training Provider. The trainer is not currently certified by the Wisconsin Board of Quality Assurance and she needs to become certified before the program is recognized as an approved Health Care Training Program in Wisconsin.

Dr. Knox said that BTC College runs at least four Nursing Assistant sessions per year and Southwest Wisconsin Technical College (SWTC) runs six per year. She has worked with Dr. Eric Larson at BTC and they can add as many sessions as are needed. The need for CNAs will never be met fully because the turnover is so high. There is a constant demand for them. But, for SWTC the problem is finding enough students.

Mr. Upperton said that no action was necessary at this time because the training provider is not ready to move ahead. No action was taken.

3. **Consideration of MATC Application as an Eligible Training Provider for CNC Applications Certificate Program** (Enclosure 9 on file)

Ms. Tucker said that, consistent with SWWDB practice, she had sent information on the CNC Applications Certificate Program to all board members soliciting their opinions about placing the program on the SWWDB eligible training provider list. She noted that this is a special case of an experienced machinist wanting quick (short-term) training in CNC applications to improve his employability. Ms. Tucker said the comments from board members varied. Some felt the local technical colleges should be used to deliver this training. Others expressed an interest in SWWDB working with the area technical colleges to develop a similar program. And, several board members said the MATC should be approved.

Dr. Knox said that she talked with Dr. Larson at BTC about this program. Both technical colleges could bring an interested person into their existing programs and

then provide a credential upon completion of the training. She suggested approving the MATC program but working with the local colleges to provide similar training.

Dr. Borremans said the MATC program is interesting because it provides short-term training for experienced machinists whereas most technical College programs are designed to provide broad, general skills for entry-level employment.

Mr. Upperton said that this is now a moot point. The person who originally requested to enroll in the program is not eligible for the training.

Dr. Borremans said that there is a formal process for approving eligible training providers. The process begins with the local WDB. Once approved locally, a program is placed on the DWD training provider list and maybe offered anywhere in the state. If SWWDB were to disapprove of this program, another WDB could approve it. It would then be on the state approved list and SWWDB funded participants could request enrollment in the program.

He said the issue becomes even more complicated because DWD's eligible training provider list is for programs not courses. He is not sure how DWD would consider or approve training if WDBs become creative and begin to use only selected courses from an approved technical college program.

Mr. Upperton pointed out that dislocated workers have a short time frame for retraining because of unemployment compensation benefit time constraints. They often cannot wait four months to begin a twelve-week training program. So, the system needs more flexibility on the part of the technical colleges.

Dr. Borremans added that if SWWDB does not approve the CNC Applications program, MATC has indicated they would request approval from the South Central WDB. Mr. Larson said that DWD guidelines do not allow a WDB discretion to deny approval strictly because the program is offered by a technical college outside the WDA. This is not a valid reason to deny approval.

Mr. Palzkill made a motion, seconded by Mr. Larson to approve CNC Applications Certificate Program and place it on SWWDB's Eligible Training Provider List. **Motion carried unanimously.**

D. Workforce Services Committee

Minutes of the July 19, 2006 meeting (Enclosure 10 on file)

1. Confirmation of Southwest Wisconsin Comprehensive Job Center Business Service Plan (Enclosure 11 and attachments on file)

Dr. Borremans said that the SWWDB Business Services Plan was developed and submitted to DWD by the September 1st deadline and that action is needed to confirm the plan. Program Operator staff was involved in development of this plan in accordance with DWD guidelines.

Mr. Schrader made a motion, seconded by Mr. Otterstein to confirm the Southwest Wisconsin Comprehensive Job Center Business Service Plan. **Motion carried unanimously.**

10. Director's Report

Dr. Borremans introduced Petra Reinhardt, who is filling in as the Executive Assistant for the organization. Stephanie Kerkenbush has resigned because the job did not meet her professional goals.

September is Workforce Development Month. Ms. Ann Greenheck accompanied Dr. Borremans in speaking on the Richland Center radio station (WRCO). The topic was the workforce development system and Job Center services.

SWWDB delivered its first business services contract for United Alloy, a manufacturer of fuel tanks for generators. They have a need for specialized welders and Amy Charles and Shannon Moe organized an on-site job fair. The company hoped five or six welders would apply. More than thirty (30) people applied and over twenty (20) passed the company's administered welding test and were determined qualified for employment. United Alloy is very pleased and satisfied with the outcome.

SWWDB applied for several Safe Lifting Grants for Health Care workers. Only one grant was funded with Mercy Hospital in Janesville.

DWD and CWI have requested proposals for the second round of GROW Grants. SWWDB is again working with the South Central WDB and the Center on Wisconsin Strategies (COWS) on a proposal. A portion of the grant has been earmarked to work on a regional initiative in Southwest Wisconsin. Southwestern Wisconsin Regional Planning Commission (SWWRPC) will be a partner in this effort and has agreed to provide \$3,000 in matching funds.

11. Chairperson's Report

Ms. Tibbetts said that she did not have a report.

12. Next Meeting

The next meeting is scheduled for **Wednesday, December 13, 2006**, in Monroe.

13. Adjournment

Ms. Tibbetts declared the meeting adjourned at 7:42 p.m.