



PLANNING COMMITTEE MEETING

Wednesday, October 12, 2011

7:30 a.m.

Merrimack Valley Workforce Investment Board

Lawrence, MA 01843

Members Present: Peter Matthews, Fred Carberry, Ron Contrado, Michael Munday, Kevin Page, Juan Yepez

Members Absent: Atty. Robert Leblanc, Joseph Bevilacqua

Staff Present: Rafael Abislaiman, Odanis Hernandez, Deborah Andrews, Barbara Zeimetz, Mary Kivell

Guests Present: Arthur Chilingirian

I. Approval of Minutes of September 21, 2011

A quorum being present, Peter Matthews called the meeting to order at 7:38 a.m. Peter then called for a motion on the minutes of the September 21, 2011 meeting.

Ron Contrado made a motion to accept the minutes of the September 21, 2011 meeting as submitted with Fred Carberry seconding the motion. Motion passed.

II. FY2012 Youth Program Plan Recommendations

Rafael Abislaiman distributed copies of draft policy amendments and asked committee members to read the first paragraph regarding Youth ITAs. The policy reads "no youth will be enrolled in an Individual Training Account (ITA) using Workforce Investment Act (WIA) funds unless he or she has either a high school diploma or a GED. Though in-house test results may indicate that a youth is at an academic skill level below that of a high school graduate or GED holder, youth testing at grades between 7.9 and 11.9 will be eligible for appropriate WIA funded ITAs if they possess either credential."

Ralph explained that this is a significant departure from the way things have previously been done and that the change is the next logical step in what we have been trying to do over the past year. He said that the Career Center Director is in favor of this. With the unemployment rate as high as it is we think that there are enough hard to serve youth with HS diplomas and GEDs who are finding it very difficult to find jobs without our help.

Chili explained that the problem with the current performance measures is that when youths get jobs, many stop pursuing their GEDs. If we use the suggested model, we can still help get them jobs while they do remediation to increase their basic academic skill

performance levels. We are, for example, looking at putting youth without a high school diploma or GED into our computer lab to prepare them for the GED test and then later move them into occupational programs if they show the motivation to get a GED. We are getting kids jobs but they are not getting their GED.

Ralph and Barbara said that the key objective is to stress the importance of a high school diploma. We are looking at this change as a hook - once they get their GED they can get an ITA to train for a better job. We have \$80,000 in youth money that is presently unobligated and are exploring ways to use it to facilitate this change. We will be able to separately finance approximately thirty-three ITAs going forward, while exploring models like a self-paced GED computer lab or some subsidized employment.

Chili noted that employers want candidates with HS Diplomas or GEDs and Mike Munday said that he liked the idea of a self-driven computer lab which allows the participants to show personal initiative. Chili said that even those with a GED or diploma often read at only a 7th grade level and still need basic academic skills remediation. He mentioned that a DESE employee stated that it would take someone with at a 7th grade level two years to attain their GED. We usually do only six month GED programs. Ralph said that our GED vendors should be commended for doing as well as they've done but that we should stop being an alternative to finishing high school. Not finishing it almost ensures life-long low income and a life near the U.S. poverty level. ITA ineligible youth will still be getting other services.

Discussion followed on who should vote to make the decision and Rafael said that, given the annual meeting next week, the board should make the decision. The Planning Committee can make a recommendation to the board. Fred Carberry also asked if there is any connection with the education system and Deborah referenced the Pathways Program. Chili also said that there is legislation under consideration to raise the legal drop-out age from 16 to 18 years old. Discussion followed on the Youth Council and if they would object to this recommendation. Barbara said that they would be able to present a minority opinion to the board prior to their vote at the annual meeting if they object.

Ralph said that the loudest objection may come from vendors. Barbara said that it is important to say that the changes in ITA eligibility does not mean that these youth are not eligible for other WIA services. What we want is for those who are basic skills deficient to learn, get basic credentials and then be able to get and keep jobs. Ralph explained that the recommended change only applies to youth and that it doesn't close the door on adult ITA training when they don't have a HS diploma or GED. That might be revisited in the years ahead.

Motion by Fred Carberry seconded by Mike Munday to recommend to the board the change to the ITA Enrollment Policy as presented. Motion passed.

The next item of business is changing the ITA cap from \$8,000 to \$5,000. Fred Carberry expressed concern with lowering the cap to \$5,000 as a large percentage of the ITAs are in the \$5-\$6,000 range. The ITA may be \$5,000 but the cost of certification and books and supplies often brings it up to \$5,200 - \$5,400. He said that he would support lowering the cap to \$6,000. Ralph said he had no problem with a \$6K cap. Juan Yopez asked what the

reasoning is behind lowering the cap and Rafael said that across the state the typical cap is \$5,000. Now with less money reducing the cap would allow us to serve more people. Juan said that he recalls that a couple of months ago we had lowered the cap from \$15,000 to \$8,000. Chili said that we have found that often times if we raise the cap then the vendors raise their costs. He said that we had less than five ITAs at \$15,000.

Barbara Zeimetz said that staff had an interesting experience recently with one vendor. We had two clients sign up for an ITA which included a number of similar courses. One client who was able to pay additional costs out of his own pocket was going to be charged more than a client who could not. We have informed the vendor that we need a breakdown of costs in an effort to assure that all customers consistently get the best deal and not bills adjusted to a person's ability to pay. We've seen cosmetology courses with prices ranging from \$6K-\$14,000. These vendors need to come up with one fair shelf price.

Fred said that when we had a high ITA cap we had trouble spending money at those high levels. Now ITA funds are more limited and we should lower the cap. Chili said that when we raised the cap we had a lot of white collar clients coming in and tried to gear the ITA to the clients who may have needed to update certifications in such fields as IT. We are not seeing that many of those people now.

Rafael said that with less money vendors will have problems with staffing levels, equipment, etc. so this is not trouble-free. However the more we allocate per person the fewer people we can serve and a lot of people need help nowadays. Peter Matthews said that we don't want to set a policy that needs to be adjusted and look like we are wavering. He said that it sounds like there are very few exceptions over \$6,000. Mike Munday asked about the possibility of having no cap and Chili said that we definitely need a cap because ITAs are chosen through customer choice.

Barbara Zeimetz said that vendors are on a state approved vendor list and the fiscal department checks them. She said that Odanis Hernandez has been monitoring some of the vendors and we are not happy with what we are finding. If we start to see poor performance or get a complaint, we investigate immediately. Juan Yopez suggested changing the cap to \$6,000 to address Fred's concerns.

Motion by Juan Yopez seconded by Ron Contrado to recommend the change in the ITA cap to \$6,000 effective November 15, 2011 until further notice. Motion passed.

Motion by Fred Carberry seconded by Juan Yopez to amend his previous motion on the ITA Enrollment Policy to become effective November 1, 2011. Motion passed.

Rafael said that the recent USDOL monitoring visit requires that we change our youth follow-up procedures. We are working a draft policy on follow-up services policy with the State and that issue may be brought up at the next meeting.

Peter asked how many vendors are now on the board and Ralph said that only Northern Essex Community College and Community Action, Inc. in Haverhill. Both are required

members because CAI is filling the mandatory Community Service Block Grant seat and community colleges must be members if they are located within a WIB area.

III. Performance Updates

Odanis Hernandez presented the performance numbers for the Fourth Quarter of 2011 which ended on June 30, 2011. She explained that the state data base has been down and she will have the 2012 first quarter information for the next meeting. Odanis explained that the first page has the total number of job seekers at 14,750 and 2,646 entered employments which is 123% of plan. The next page is the participant characteristics with 14% with less than a high school degree and only 35% with a high school diploma/GED. The third page has the regional cities and towns where clients are from. There are 18.4% from Haverhill and 31.5% from Lawrence with others spread across the region including Greater Lowell, North Shore and out of state. WIA Title I Adult had an annual goal of 335 with 283 actual and an average exit wage of \$11.90 which is 125% of planned wages. This page also includes the participant characteristics with 67% female.

The WIA Title I Dislocated Worker Program was 120% of plan with 327 new participants and 205 exiters. There were 161 entered employments at an average wage of \$18.40. Dislocated worker participants were 59% male. Mike Munday commented that he noticed that over 75% of dislocated workers are over 40 years old. Odanis continued stating that the Title I Youth Program was 88% of plan for customers enrolled with 89 new participants 111% of plan and an average exit wage of \$10.78. Mike Strem asked about reaching out to youth serving agencies. Ralph said that many youth serving CBOs are on the Youth Council but that we'll outreach to more.

The final page deals with NEGs with 316 out of 400 projected in plan. There are currently 293 active customers. Chili said that of the Deb Staffing clients there are currently 100 enrolled at the International Institute studying ESOL and broken down into three levels. Ron Contrado asked if we track health care benefits for the clients who are placed. Chili said that all we are able to track through the state data system is if they are still working and if there's an increase in their earnings on a quarterly basis.

IV. Adjourn

Having no further business Fred Carberry made a motion to adjourn the meeting seconded by Juan Yopez. Motion passed and the meeting adjourned.

Respectfully submitted,

Mary Kivell,

Recorder