



Holy Family Hospital
70 East Street
Methuen, MA

MEETING

Minutes
Tuesday, April 26, 2011
7:30 AM

MEMBERS PRESENT:

Howard Allen, Joseph Bevilacqua, Rosemary Chandler, Thomas Casey, Ron Contrado, Supt. William DeRosa, David Hartleb, Robert Ingala, Susan Jepson, Jeff Linehan, Dahianara Moran-Liranzo, Michael Munday, Peter Matthews, Donna Rivera, Nancy Tariot, Lester Schindel, Evan Silverio, Cal Williams, Ray Wrobel, Juan Yepez

MEMBERS ABSENT:

Kimberly Abare, Patrick Blanchette, Pedro Arce, Wayne Capolupo, Fred Carberry, Michael Collins, Paul Durant, Julie Gadziala, Steve Kfoury, Thomas Connors, Leonard Degnan, James Driscoll, Howard Flagler, Joe Gangi, Jr., Gary Hale, Atty. Robert LeBlanc, Sal Lupoli, Eric Mane Maria Miles, John Olenio, Ann Ormond, Margaret O'Neill, Cindy Phelan, Kevin Page, Andres Rodriguez, Steve Salvo, Fred Shaheen, Jeff Sheehy, Evan Silverio, Michael Strem, Stanley Usovicz, Len Wilson

GUESTS PRESENT:

Arthur Chilingirian, Fran LaCerte

STAFF PRESENT:

Rafael Abislaiman, Corina Ruiz, Mary Kivell, Deborah Andrews, Odanis Hernandez, Susan Almono

1. Call to Order

A quorum being present, Chairman Joseph Bevilacqua called the meeting to order at 7:35 a.m. and introduced board member and Holy Family Hospital CEO Lester Schindel thanking him for hosting today's quarterly board meeting.

2. Welcome

Mr. Schindel thanked everyone for coming today and said that the hospital has been here for sixty one year. Although the hospital is now owned by Steward Health Care he said they haven't changed their focus which is to provide the highest quality, comprehensive care. He said that his involvement on this board and in other activities in the community as well as that of staff is a big part of the hospital being involved locally and a community partner. Mr. Schindel said that in two months they will complete a new 26,000 square foot emergency room replacing the 4 year old one. It will be twice the size with 34 treatment bays that are state of the art with direct entrance and direct parking.

They will be hosting an open house the end of June and multiple open houses for the community. He said everyone is invited to attend.

Joe then asked for introductions around the table.

3. Report of Chair

Joe began stating that it is important that we have board members from education, health care, manufacturing, finance and community service organizations. Joe sees the interaction of board members being critical for the Merrimack Valley. He said that one of the things that he and Ralph have been doing since the beginning of the year is trying to get an understanding of state and federal workforce training funding. Joe said that there were high expectations that WIA would be reauthorized and now we are looking at dramatic budget cuts. Additionally, there is concern that a group in Washington will want to cut more and there is uncertainty where this will end up. The Career Centers serve over 14,000 customers per year and if funding cuts are significant, we will be forced to close one career center. We are working on getting further information on what will happen in terms of training programs and funding allocations breakdown. Joe said that as we receive information we will pass it on to you but as you know from the media this is an ongoing battle and no one has a handle on it to date. We need to remember how it impacts programming.

There is an ongoing discussion youth employment in Washington. In the past attention was paid to those with troubled pasts designated as recipients of these funds. There is discussion to allow funding to the group of those youth who are not in trouble but who may need a boost individually and it may be that they are more committed to improving their life path. We have agreed to encourage and help those who want to help themselves. Another level of discussion at the state and Washington is that you could no longer train for the sake of training. There has to be a position or job connected to the training. On the job training is emerging once again. Joe said that everything is very fluid right now and we will continue to monitor developments.

As you know, we were very fortunate when Fred Carberry left to have Ralph as our Interim Executive Director. We spoke at the Executive Committee and as a board that at some time Ralph become the Executive Director of the board but thought it important to establish several milestones that would prove to us and prove to other authorities that Ralph was the right person, so we charged him with getting the High Performing WIB certification. This was very challenging and work intensive for staff and Joe said that he and Ralph met with the state on two occasions. Joe said he is pleased that we were able to obtain that level of achievement.

Joe said that was the milestone for the Mayor of Lawrence, the appointing authority, to make Ralph permanent as we had written to him of our plan. Joe also said that the state, as part of our review, wanted to know of our plans for a permanent director and we indicated that once we received certification, we would recommend the permanent appointment to the Mayor. We have communicated to the Mayor who has consented and agreed as the Chief Elected Official to assent to our request make Raphael Abislaiman permanent Executive Director.

Motion by David Hartleb seconded by Tom Casey to reaffirm and approve the selection and designation of Raphael Abislaiman as the Executive Director of the Merrimack Valley Workforce Investment Board. Motion passed unanimously.

Ralph said he would like to personally thank one of the members of the High Performing WIB review team who is now a member of our board, Rosemary Chandler.

Joe said now we will move forward with Ralph as our permanent director and continue to explore opportunities that become available to us. Our next board meeting is in June and in keeping with rotating the meetings within our region, it will be somewhere near the ocean. Joe also mentioned two state meetings, one the Energy Partnership Meeting which is a major priority of the president and governor for energy conservation. Also, Joe said that the Mass WIB quarterly meeting which Joe co-chairs with the Governor will be in the Merrimack Valley where they will hear about opportunities available in the Merrimack Valley. Joe said that workforce development is part of economic development and that he and Ralph are meeting later today with a company looking to expand.

4. Approval of Minutes of January 11, 2011

Joe then called for a motion on the minutes of January 11, 2011 meeting.

Motion by Cal Williams seconded by Jeff Linehan to approve the minutes of the January 11, 2011 meeting as submitted. Motion passed unanimously.

5. Reports of Committee Chairs

- *Planning Committee*

Peter Matthews said that his first remarks would be about the MVWIB's current funding situation and he would then recap the numbers contained in the third quarter report in the meeting package.

We all know that nowadays we need to do more with less. The U.S. House recently wanted to drastically reduce WIA money for the second half of this year. Congress and the President finally agreed to cut about 10% from this year's workforce development system but the funding debate continues and deeper cuts are likely in FY12. The Planning Committee thinks, and most of you agree, that we should now be using workforce training funds on individuals who quickly want to learn the skills they need to get and then keep jobs. We don't now have enough resources to dedicate funds on people who need to be persuaded to make a serious effort. We need people to get back into the workforce if for no other reason than to help them to pay taxes so we can together help bring up the other people behind them. We also don't have enough money in the workforce development system to dedicate large amounts on any individual.

In the last two months, the Planning Committee reviewed our Individual Training Account (ITA) funding situation. Today we will bring before you a motion for the board to affirm a Planning Committee decision to lower our top dollar award for ITAs from \$15,000 to \$8,000 effective July 1, 2011. Detailed information related to this issue is in your package beneath a cover note from Ralph. In the FY'11 WIA-ARRA ITA Master you can see that most of our current ITAs average under \$5,000. If there are clearly worthwhile and justified training activities that cost over \$8K, a waiver system will be instituted to make them possible.

This quarter, the Planning Committee also approved the transfer of unexpended training money from the so called Adult category to the Dislocated Worker category. Dislocated workers are people on unemployment and the adult category contains people who are either on public assistance or who have been unemployed for more than 99 weeks. Although we know that many hard working have been unlucky and haven't found work in almost two years, more dislocated workers do so than not. You'll see this reflected in our quarterly report where we've already achieved our FY'11 dislocated

worker training numbers and where dislocated worker trainee employment numbers are more than twice as high as those in the adult category. Those numbers are on page five and six of the quarterly report.

During this last quarter, the Planning Committee also de-obligated funds from under-enrolled training programs. Funds were immediately rededicated to training activities where there is more customer interest and more jobs. In the months ahead, Peter said that we hope to scrutinize training related job placements in increasing detail to ensure the best possible use of our training dollars.

A couple of weeks ago, we also learned that we'll only be receiving half of last year's subsidized summer jobs money for poor youth. Since funding was cut by 50%, this summer we'll be helping about 115 youth rather than last year's 230. This is clearly an area where we need to use our tax dollars as effectively as possible.

It should also be noted that current and expected cuts are already affecting MVWIB staff. Our staff has been without an adult program or deputy director for the last four months and they did not have a program monitor for about two months. This represents about a 30% cut in MVWIB staffing. Ralph has picked up most of Betty's duties and Odanis Hernandez is now dual-hatted as both the Contracts and Monitoring Manager. Even with the cuts, we expect staff to do well in an upcoming U.S. Department of Labor inspection.

Staff has successfully applied for about \$2M in Trade and National Emergency Grant funds to help approximately 500 people laid-off from companies who have shut down their area plants. Because of these new funds, the Career Center has so far retained all of its personnel but VWCC funding and staffing cuts are possible in FY2012 and we are beginning to consider which services should be reduced and how those cuts should look in relationship to our vendor-based training allocations.

Peter continued stating on page two's performance summary, one can see that VWCC has had less than the expected number of contacts with new employer clients (60% of plan three quarters into the FY) but that this has been more than made up by the unexpectedly high number of contacts with existing employer partners (140% of plan) for an average 108% overall. By partners we mean companies who we directly help in some way, such as with presentations on how to apply for Workforce Training funds, or companies that are solicited to post their job openings at the Career Center (CC) or which recruit unemployed people registered as CC members. With 85% achieved, the CC is also ahead of plan for job orders listed. Peter asked board members to please remember to post job openings at the Center. Chili has informed the Planning Committee that Valley Works has the highest employer contact rate of any CC in the State. Please also note that, with one quarter to go, at the end of last month, 2,008 people had found jobs via the CC. That stands at 93% of plan.

In regards to the Workforce Training Fund, Ralph has informed us that in March Workforce Training Fund, staff selected a regional company to receive about \$230,000 for incumbent worker training over the next two years. We're unsure whether the public announcement has been made by Commonwealth Corporation. The Workforce Training Fund is Commonwealth money and it will presumably not be affected by Federal budget cuts.

Peter then spoke about our youth programs and our High Performing WIB action plan. At a recent conference, executive committee members heard that the national youth unemployment rate for Latinos and blacks is at about 85%. Only 15% of black and Hispanic youth in this country have jobs.

Those numbers are about the same here in the Commonwealth. In tandem with the Chief Elected Official, the Planning Committee acted to try to improve that situation in this region. We think that the job market needs more than 15% of these economically disadvantaged youth. We also think that much more than 15% of minority kids deserve jobs with a future. Subsidized summer employment is an excellent way of introducing better performing minority youth into the job market. He said that we recently made some headway in this area. Until now, poor youth who were at or above their academic grade level were denied tax payer subsidized summer jobs. Summer jobs instead went to academically underperforming youth or youth who were court-involved or who had some other serious problem apart from poverty.

Directly related to our High Performing WIB goal of improving the youth pipeline for this region's companies, our WIB played an important role in changing the Commonwealth's subsidized summer job eligibility criteria. Now minority kids performing at or above their academic grade level are eligible for subsidized summer jobs. Now they no longer need to be performing below their grade level, they can be superior achievers. We can be proud of this achievement. It will certainly help our workforce development system improve the youth pipeline for jobs. Please also know that our intent was not to deny anyone the opportunity to learn about the world of work, but instead to open up that experience to more kids and to ultimately raise the number of poor and minority youth who get and keep jobs.

In January, MVWIB Executive Committee members heard the U.S. Undersecretary of Education state that 93 million people in the U.S. are functionally illiterate and about 23 million cannot read, write or do arithmetic. Another 70 million have trouble understanding a simple pamphlet. We have a share of these people in this region and although simply allocating more money is clearly not the solution to this situation, allocating money thoughtfully and correctly is.

In keeping with our HPW action plan, we are strengthening our resource development activities. Many of our current funding proposals are green industry-related and that's also in keeping with our action plan. We've also made progress on developing our youth employment pipeline by trying to connect better prepared to our training services and your jobs.

Peter said that with increasingly limited national resources, and in light of pending nation-wide workforce development budget cuts, it was decided to postpone a board retreat planned for earlier this month. The Planning Committee recently budgeted \$55,000 to study and execute WIB guided improvements in youth training for the health, manufacturing and green employment sectors - the sectors identified in our HPW action plan. At our last quarterly meeting in January, members clearly expressed their strong interest in improving the employee pipeline for manufacturing and for other areas. We had hoped to get all of your inputs related to this study and to enroll some of you in our plans execution during our half-day retreat but we've thought it wise to delay our April retreat and will begin formulating a youth pipeline-related employer survey prior to it. Simply throwing money at education issues has not worked and money may be misspent if we plan a new direction for the future without budget clarity.

Motion by Peter Matthews seconded by Tom Casey to affirm the agreement of the Planning Committee to reduce the ITA cap from \$15,000 to \$8,000. Motion passed unanimously.

- *Youth Council*

Youth Council Chair Cal Williams reported that the Youth Department and the Youth Council has been reviewing the Federal and State budget bills and amendments. Cal said that he would leave the update to Ralph who will try to describe a situation which is very much a work in progress and which sometimes changes from day to day. Our report assumes that we will be receiving funding for the programs mentioned.

The Division of Career Services (DCS) conducted the Title I Youth Program Quality Assurance Review during the week of April 11. They looked at files, policies, procedures, confidentiality procedures and other aspects of the youth department. There were no findings, just a few suggestions to clarify some policies and procedures. The Career Center and WIB youth departments have done very well.

The youth department is beginning the process for the Summer YouthWorks Program. If full funding comes through, we should serve about 230 individuals this year, similar to last year, but the latest report is that we will receive only half that money so about 115 youth will be helped with Summer jobs. Participating youth will be from Lawrence, Haverhill and Methuen. We make an allowable 10% adjustment to include some youth from Methuen. Commonwealth Corporation made a decision to change the eligibility criteria this year. Ralph informed the Youth Council that Mayor Lantigua helped to make the change by sending letters requesting it to this region's Senate and House members, many of whom form the legislative leadership at the State House. He asked them to advocate for a change in the eligibility regulation. In previous years, youth had to meet income requirements AND have a barrier to employment. This year, 85% of summer youth need only meet the income eligibility criterion. Only fifteen percent of the summer youth must be considered at high risk, which requires both income eligibility and a barrier to employment. The required barriers include homelessness, being in state custody, or being court involved.

Summer Job applications were released on April 19th and young people are already picking them up. Staff will be available in the schools to assist with the paperwork and applications are due on May 20th. There will be a lottery drawing with notification by letter. All youth will be required to participate in a workshop on work readiness and safety. Jobs will begin July 6th and last for 6 to 7 weeks. Participants will earn \$8 per hour. We should all know that these jobs mean a great deal to many area youth because the Black and Hispanic youth unemployment rate is about 85%. Only about 15% of Black or Hispanic Youth currently have jobs

The Business Service Representative team at ValleyWorks and WIB staff are currently reaching out to businesses for summer jobs. If there is a good match, the business has free labor for the summer while they are mentoring a youth. Employment experience is vital to youth obtaining and keeping future jobs. It is also an opportunity for some of them to stay after the summer and to gain permanent employment. All board members are invited to contact Deborah Andrews at the WIB to discuss the possibility of having a youth work for you this summer. We are especially interested in getting them private sector jobs with good career ladders but any job with the possibility of continued employment would be great.

Cal continued stating that we have two teacher externs this year. Dr. Mark Kauderer, a PhD in Electrical Engineering who is now a Physics and Math teacher at Lawrence High School will be participating in an externship at Strem Chemical in Newburyport. As you all know, Mike Strem is an esteemed member of our board. Cal also said that he is also pleased to announce that his old company, United Parcel Service will be hosting Bronwyn Boyle, who is an environmental consultant

and a teacher at Haverhill High School. These teachers obviously have a strong base in Science, Technology, Engineering and Math or STEM, as those subjects are called. Youth STEM training is of special national interest nowadays because we think that they form the foundation of future, high paying jobs and we hope that our kids will be able to compete for them in the global marketplace. The two teachers involved in the extern program will take their worksite experiences back to their students and colleagues by developing new projects and curriculum that reflect employer training needs. There will be an extern program update at the next WIB quarterly meeting because the externs were at their sites only last week.

The 2nd cycle of the OSY Education & Food Service Enrollment is at 8 out of a planned 15 enrollments. Seven have OSHA certification with one still working toward certification, and one has completed her GED. The program ends the last week of April, with internships to begin in May. It is hoped that our expanded youth eligibility criteria will minimize youth program under enrollment in the future. The second program is the OSY Education & Medical Assistant. Eight were planned and eight enrolled. Six of the eight students are in need of a GED. All have their CPR/1st Aid Certification and one has been offered a position at Mass General at \$14.25 per hour. This program ends in May. Because of the national budget uncertainty, we did not want to begin a 14 month commitment so we did not release a youth RFP this spring. Instead we transferred the money to spend on the youth Individual Training Accounts that youth are asking for. We expect that we will use most or all of those funds before June 30th. The average cost of an ITA is about \$4,800 so about 22 youth will be served in additional ITA programs.

The 9th Annual Construction Career day will be held on May 5. Close to 80 youth from across our area will participate. It is held at the New England Trainers Academy in Hopkinton. This full day event is designed to educate students about various careers in the construction and engineering industries. Students will be able to experience hands-on demonstrations from different construction and engineering-related exhibitors. Representatives will discuss a typical workday, explore different aspects of working in the construction and engineering fields, and provide information about the skills and education necessary to enter that field. This experience will be useful for young people who can wait for the construction field to again expand. Cal then thanked staff and ValleyWorks Career Center for an outstanding review and also thanked Howard Allen for his work on the internship program.

Joe said that the Chamber was offered a summer youth participant and had a fine young man who keeps in touch and is attending Whittier and talking about plans for his future. Joe said that sometimes all that some young people need is a little boost and Joe said that he wanted to encourage board members to participate by taking a summer youth. Joe also said the state is developing an economic development strategy that includes workforce development. We will be meeting with local economic development directors to let them know we can provide assistance to keep a business here, attract a company, or help a company grow here.

Susan Jepson, State Director of the Mass National Senior Network, said that the only federal funded program for seniors 55 and older was cut 45% as of July 1, 2011. There are many older workers in Massachusetts and we will miss that population in the workforce. Businesses should think about retaining those workers who may not want to continue for 40 hours per week. Susan said that we need to think about all age groups. Joe said that is a good point and that mature workers are appreciated by employers because they come on time and do the work. Jeff Linehan said that older workers are affordable because they don't need the health benefit.

6 Report of Executive Director

WIB Executive Director Rafael Abislaiman thanked everyone for their support. Regarding the legislative update Ralph said that there is an excellent editorial by David Brooks in yesterday's New York Times where he stated that we are still dealing with soviet era categories of whether we should help people – not help people as if it were an either or type of thing. That probably needs to change and the change will be forced upon us sooner or later. Hopefully it will come from the center but there is no guarantee and it could come from either extreme as well. If things go well, we'll do well.

Ralph said as Joe and Peter have stated that there has been a 10% funding cut and we could probably survive an additional 10% cut in FY'12, but it is likely it may be more than that. He said that he wanted to thank Peter Matthews, Cal Williams and especially Joe for their leadership over the past year. He said that there are copies of his presentation on the table and an email from the state stating that they can't put out a budget yet because they don't know what it will look like. Ralph's presentation was on ITA account statistics from 7/1/10 – 3/31/11. He said that most of our training in through ITAs and the premise is that there is customer choice. The vast majority of the training occurs in health care and health care is a little over 25% of the national economy. It also has a well developed career ladder. So far this fiscal year, a little over \$400,000 has gone to health care. The next one is computer technology which overlaps all other areas of our high performing WIB focus. The next largest is manufacturing with 25 enrolled in ITAs and the next is green which is renewal energy and conservation and repairing the environment with almost 20 people enrolled in that category. That is followed by transportation and warehousing with about 18 students. Ralph said that normally it is truck driving which pays well. The next page lays out the cost per week but more important is the outcome. The second most expensive is green which includes energy assessment for homes. This is a new field but green is still a big question. Computer technology is a high paying field and we are holding our own in manufacturing and the cost for this training is not high. There was only one cosmetology ITA which was expensive and hopefully they will make a good living. The training lasts for several weeks and costs about \$14,000 per trainee. Electrician costs a little less and admin support and health care are the cheapest. Most of these programs have some sort of remediation component and last approximately 26 weeks. Those who complete the program earn about \$10-\$12 per hour.

Ralph continued stating that group activities charts show higher costs as they are harder to recruit for a group. There needs to be a group of people interested in the same training at the same time. The largest expenditure is in health care followed by food service which is a youth program for out of school youth. Green is the third with asbestos and lead abatement in that category and green handyman. There are about 75 participants in health care and about 50 in green. The final page is the combined ITA and group allocation per category where we are spending about \$680,000 for health care and it goes way down from there. We also have about 170 people involved in health care related training. Ralph said that there are lots of jobs in health care but we have to question when the market is saturated and whether this is a sustainable area.

Bob Ingala, CEO of Greater Lawrence Family Health Center, said that Ralph's comments are right about healthcare. There could be a retraction if what is predicted takes place and changes in the way health care providers are reimbursed. That is, if there is a change from fee for service to a global fixed amount per patient.

Superintendent DeRosa of Whittier Regional Vocational High School said that they have implemented a Green Committee at Whittier and said that green initiatives are more integrated into their current field. Contractors are looking for electricians, plumbers that can do geo therm, and technology seeing how it lives within the current fields. He also noted that their cosmetology program is an expensive program but said that students must complete 1,000 hours and pass a state exam. The Green Committee is looking at the way we are currently doing business and how we are going to do business. Joe Bevilacqua mentioned that at the Chamber energy program there was discussion on the fact that they need an electrician to wire the solar panels to a converter and someone to plumb it. Utilities are under a federal mandate to reduce energy consumption. Joe said that this is very important as we need to evaluate which programs that make sense and lead to employment opportunities in the future.

7. Adjournment

Having no further business Howard Allen made a motion to adjourn and Ron Contrado seconded the motion. Motion passed and meeting was adjourned.

Respectfully submitted,

Mary Kivell

Recorder