

Executive Committee
Thursday, September 27, 2007
Minutes

I. Call to Order and Roll Call

Chair Bill Jones called the meeting to order at 8:30 a.m.

In attendance: **Bill Jones**, chair
Joyce Kessinger, vice chair
Wayne Flippen, former chair
Via conference call: **Tim Tobin**, secretary/treasurer
Absent: **Paul Paradzinski**, youth council chair
Staff present: **Doloris Vest**, president
Sherry Dean, accountant/office administrator
Guests: **Bruce Johannessen**, Virginia Employment Commission
Carroll Gentry, Workforce Development Virginia Western Community College

A quorum was present.

II. Approval of Minutes

Mr. Flippen moved to accept the minutes of the July 19, 2007 meeting; Ms. Kessinger seconded the motion. The motion passed on a voice vote.

III. Youth Council Report

A. **Youth Council Report:** **Ms. Vest** reported the Youth Council will provide a short presentation next week at the board meeting on the three youth service provider fairs planned using incentive grant funds. Earl Dodrill is heading up the Alleghany event which will host a number of speakers and provide a luncheon. The Roanoke event will include Craig County, Botetourt County, Roanoke County, Roanoke City and the Roanoke City VOYCE initiative. The Franklin County event will be similar to the Alleghany event. The three areas agreed to divide the \$5,000 of incentive grant funds equally and the Roanoke City VOYCE initiative will be providing additional funding for the Roanoke event. These areas have planned very nice events with the limited amount of funding they have to work with.

IV. Staff Report

Ms. Vest reported on the following:

A. **Training Provider Approval:** Ms. Vest presented for approval the training provider committee recommendations of three schools requesting local certification for additional programs. All providers have been approved previously with other programs.

Dabney S. Lancaster Community College is requesting approval of a new FAA and DOT Dispatcher program which trains individuals in airfield cargo handling, airfield operations and dispatching. This six-week program has an entry-level wage rate of \$16.82 to \$23.80 per hour with a course cost of \$2,352. Dabney S. Lancaster intends to draw students from all parts of the state to this type of training and has worked with local hotels to provide housing. **Mr. Jones** believes there should be a large demand in this area with Fed-X, UPS and the airport located in Area III. **Mr. Gentry** noted that Dabney has found an excellent niche to fill which will help the local economy of their area by bringing in students from other areas of the state.

Jefferson College of Health Sciences requested approval of

- EHS-Paramedic
- Fire & EMS Technology

- Occupational Therapy Assistant
- Physical Therapy Assistant
- Respiratory Therapy

National College requested approval of

- Accounting Office Assistant
- Medical Office Assistant
- Supervisory Management Specialist
- Technical Support Assistant

Ms. Kessinger moved to approve, as presented, additional programs for Area III certified training providers: Dabney S. Lancaster Tier I; Jefferson College of Health Science and National College Tier II. Mr. Flippen seconded and the motion passed on a voice vote. Following a discussion of the Tier I and II criteria, **Mr. Tobin moved to approve Jefferson College of Health Science as a Tier I training provider. Ms. Kessinger seconded and the motion passed on a voice vote.**

- B. **Realignment Update:** Governor Kaine will make an announcement concerning workforce area realignment next Thursday, in Newport News, at the Virginia Economic Development Association meeting. The email announcing the meeting noted there would not be another opportunity for workforce board chairs and directors to meet with Mr. LaBlanc until March 2008.
- C. **Area II & III Regional Relationship:** Area II and III have not been able to meet due to scheduling and until the governor makes his realignment announcement meetings with Area II have been put on hold. Area VII appears to be interested in working with Area III also.

V. Unfinished Business

- A. **Dislocated Worker Program Operations: Mr. Johannessen** reported on the progress on the corrective action plan:
- **Enrollment:** The program is running ahead of schedule for new participants at 43 percent of its annual goal. Many participants are also in the trade program and that appears to be working well. The Roanoke office, of the Virginia Employment Commission (VEC), has received many inquiries, from around the state, as they have been operating these two programs simultaneously for some time. Ms. Vest noted that anyone who falls under the trade program must also be in the dislocated worker program.
 - **Franklin County Availability:** In the past, meeting a set schedule, office space and computer access were problems, but since moving into the new Franklin Center these problems have been addressed.
 - **Partner Referral:** The issue is a problem throughout all agencies. Part of the problem is how often partners are present at the one-stop. The VEC advises the partner and the individual of the referral that is being made. **Mr. Flippen** expressed his ideal situation, by using technology, as being able to address a person's needs while you have them in the one-stop. Ms. Vest noted the consortium is looking into the partner referral process issues.
 - **Outreach:** The REA program reviews every unemployed person and dislocated workers are being picked up through this process. The average person goes back to work fairly quickly. A problem the VEC has is that many referred individuals do not show up at employers.

Mr. Johannessen met with a rental company this morning who had been bought and the new owners were immediately laying off 100 employees. This is not allowed under the law. A 60-day notice must be given to employees before layoffs in a sale situation. Mr. Johannessen feels there will be layoffs in this area based on information he has been receiving. **Mr. Jones** noted the VEC performance numbers looked good for PY06 and that they exceeded their goals.

VI. New Business

- A. **Dislocated Worker Program Contract Completion:** Ms. Vest reported that a contract, with the VEC, has not yet been signed due to the state assessing a 10 percent administrative fee to cover WIA costs incurred at the state level. The DOL has directed the state to charge this fee. The fee is based on an indirect cost rate provided to the state by the U.S.

Department of Labor (DOL) and is applied to state staff personnel costs to distribute costs to the programs for which they are incurred. (Indirect cost rates are used when multiple federal programs are operated by a single state or agency.) Originally the rate was 20.3 percent of personnel costs or approximately \$24,000 on the current contract. This cost would have to be reported as administrative costs because of the VEC's role in the operating consortium. The Governor's Office for Workforce Development has agreed to cover half of the administrative cost out of the state's discretionary funds for the FY08 fiscal year.

Mr. Johannessen noted that the VEC has done well to control costs whereby Area III cost per participant came in at \$1,587 per person and the state average is \$3,200. Since taking over the program operations six years ago the VEC has absorbed costs that they could have billed for. The VEC exceeded all goals for last year and plan to do the same for the current year.

Ms. Vest outlined the following options the executive committee or board could take:

1. **Accept Contract With Administrative Fees:** For the current year, this would reduce the board's administrative budget by \$12,000. Due to conservative budgeting practices the administrative budget could absorb this amount of cost for the current year but not in the future.
2. **Decline Administrative Fees:** Pay the VEC for services rendered to date excluding the administrative fee and either designate another provider or begin RFP process. This could cause a possible disruption of service for those already in the program during the time of establishing a new provider.
3. **Remove the VEC as Operator Consortium Member:** Dissolve the existing consortium with 60-day notice and designate a new consortium. If a non-profit service provider is also a partner in the consortium and charges administrative costs to the program contract, the costs must be reported as administrative cost. This is not an issue if the service provider does not charge administrative costs to the contract or if the service provider is not a non-profit. Future administrative fees would be charged to program funds. Additionally, the VEC would not have an official voting roll and a third mandated partner would have to be found to join the consortium.

Mr. Tobin requested Ms. Vest's long-term recommendation which would be to pay the contract out this year with the administrative fee of \$12,000, put the contract out to bid for next year (which would solve operational issues and the administrative fee the state could not be charged against Area III administrative budget) and remove the VEC from the consortium. Additionally, this is an issue being faced by boards all over the state. After much discussion, it was decided to take the decision to the full board at its October 5 meeting. Ms. Vest will draft a recommendation before the board meeting next week.

- B. **Strategic Plan:** Ms. Vest discussed the need for the board to begin a new strategic planning cycle to create a local working plan because the state's plan is more a questionnaire. Board staff will begin research and gathering data.
- C. **WIRED Grant:** After attending the DOL training last week in Arizona, Ms. Vest learned about Regional Innovation Grants (RIG) grants from Lenita Jacobs with the DOL. A RIG is usually granted for three years and is used to address long-term issues. WIRED grants tend to be tied more to economic disasters which, at the present time, do not appear to apply to Area III. The staff will be looking into these grant opportunities.

VII. Announcements

The Roanoke Workforce Center will host an open house on Thursday, October 4, 2007 from 2 p.m. to 7 p.m. Incentive grant funds allocated for the open house will be used mostly to pay for advertising. Not many partners have agreed to be present but Mr. Johannessen will make an effort to get the partners involved. The Roanoke Workforce Center is now staying open two nights a month until 7 p.m. but many partners do not want to stay.

The board meeting will be Friday, October 5, 2007, at the Franklin Center in Rocky Mount.

Next meeting: Tuesday, November 20, at 8:30 a.m. in Roanoke Higher Education Center.

VIII. Adjournment

The meeting adjourned at 9:55 a.m.

Doloris Vest

President

Date