



The Southwest Ohio Region
WORKFORCE INVESTMENT BOARD

**Quarterly Board Meeting
SuperJobs Center
August 12, 2010
8:00 a.m. – 10:00 a.m.
Minutes**

SWORWIB Members: West Africa, Jay Alvaro, Ted Bergh, Michael Conner, Alfonso Cornejo, Margaret Fox, Natalie Galbato, Brenda Gumbs, Betsy Harris, Joe Hummel, John Henderson, Carl Hilliard, Mike Kelly, Joseph Kramer, Walter McLarty, David Pepper, Ric Powell, Jennifer Roeder, Doug Sizemore, Pete Strange, Tyrone Stuckey, John Young, Joe Zimmer

SWORWIB Members Absent: Beth Brannigan, Steve Browne, Timothy Devine, Jennifer Graft, Richard Harris, Gail Holloman, Stephen Kuebbing, Paul Magnus, Tim McCartney, Rene McPhedran, Doug Moorman, Rob Reifsnnyder, Paul Reynolds, Gwen Robinson, Sean Rugless, Jim Schwab, Simon Sotelo, Vijay Sud, Amy Tanaka, Robin White

SWORWIB Staff: Sherry Kelley Marshall, Pat Massey, Nicole Ware

Resources: Michele Dillingham, Charles Harris, Kevin Holt, Cathy Metcalf

Guests: Brenda Calhoun, Dorothy Edgerton, Lisa FitzGibbon, Kelly Kramer, Erwin McIntosh, Kim Hopper, Harry Snyder (for Robin White), Rita Stall (for Paul Magnus), Al Thompson, Eileen Turner, Leah Winkler, Sam Zonker

I. Opening – Welcome and Introductions

With more than a quorum present, Chairman Conner opened the August Quarterly Meeting of the SWORWIB at 8:03 a.m. Conner reminded the members and guests to please sign-in for the official attendance record. Conner requested that all members present introduce themselves. Ted Bergh was formally introduced as the new director of the Cincinnati Metropolitan Housing Authority and therefore the replacement for former director Richard Rust. Members welcomed Bergh and expressed appreciation for Rust's services. Marshall noted appreciation to Frisch's who has donated the continental breakfast for the SWORWIB's meetings for fiscal year 2011 from July 1, 2010 through June 30, 2011. Jokes about the best coffee in town aside, the Board expressed appreciation to Conner and Frisch's for the donation.

II. Approval of the Agenda

Chairman Conner reviewed the agenda and reminded members that the consent agenda is used by larger boards to handle the business of the organization in an efficient fashion in order to have time to focus on essential discussions. The practice is that everyone reviews the entire agenda before approval including a close review of the consent agenda and indicates during the "Approval of the Agenda" any consent agenda item they wish to move from the consent agenda to Other Business for separate discussion. There being no requests for agenda changes. Henderson moved, Stuckey seconded a motion that the agenda be approved as previously distributed. Motion passed unanimously.

III. Consent Agenda

There being no request for separate discussion about items on the consent agenda, Strange moved, Gumbs seconded a motion to approve the Consent Agenda as presented. Motion passed unanimously. The following materials provided in the board packet were, therefore, approved:

- Minutes Annual Meeting 5.13.2010
- Chairman's Report
- Workforce Partners Council
- Emerging Workforce Development Committee Report
- Spirit of Construction Report
- Media and Public Relations Report
- Nominating Committee Report

IV. Executive Evaluation Summary

Chairman Conner began his remarks by reminding board members of the procedure for evaluating the President's performance and thanking the many members who provided written and verbal feedback to him. Using the board member's comments, the Executive Committee members' written appraisal and the President's self-appraisal the committee came to a consensus and completed the overall appraisal. The committee rated the President as exceeding expectations for the review period. Conner reminded the board this past year carried an exceptional number of new and unexpected challenges such as stimulus funding, monthly audits, changing WIA/DOL requirements, implementation of a Summer Youth Program with delayed funding and requirements, increased but temporary staffing, and three SJC Directors to mention a few. Even with attention to the challenging economy, the Committee felt the President's performance warranted a merit increase and therefore approved a 3% merit increase that was authorized to be paid in a single payment funded from budgeted, unused funds from FY 2010, thus avoiding additional payroll expenses as the organization enters the new and reduced budget of FY 2010-2011. Conner and the Board then congratulated Marshall on a job well done under these conditions with hearty applause from the entire board. Conner also noted that due to these same circumstances Marshall has been unable to use much of her accrued vacation benefit therefore the Executive Committee approved the carry-over of 19.5 days vacation at July 1, 2010 but has used seven days already. The Executive Committee will monitor the usage at the Executive Committee meetings. Hummel moved, Stuckey seconded a motion to ratify the Executive Committee's action. Motion passed unanimously.

V. Administrative Entity FY 2010 Year End Report

Holt provided a summary of the reduced funding issues for the year July 1, 2010 to June 30, 2011. Chief among these are the loss of stimulus dollars and reduced federal allocations to Ohio as other states experience increasing unemployment. The high productivity of last year was supported by these additional funds and carry-over dollars from prior program years that are, therefore, no longer available for this year's budget. The result will be that Arbor spending will drop from \$5+ million to \$3+ million, Youth spending will decrease from \$4.5 million to \$2 million, WIB funding will decrease from \$1.2 million to about \$400,000, and HCJFS funding will remain stable near \$400,000 which should be adequate for HCJFS since they have laid off half of their staff and expects additional possible funding cuts this year. The implications and service priorities these reductions have created will be revisited throughout the year. The federal reauthorization of the Workforce Act will, undoubtedly, impact WIB work considerably but it is impossible to predict the direction or dimension at this time. Stuckey discussed how important grant applications would be for helping with additional funds.

VI. President's Report

The President's report was presented in written form in the Board packet so she asked if there were any questions about items covered in the written report. Hummel questioned how collaborative local service organizations are in using area grant money represented in the Grant Update Report. President Marshall explained that different grants require different levels of collaboration and teamwork, but for the most part, the SWORWIB has been using the collaborative process outlined in the SWORWIB policy very successfully with others ranging from simple letters of support to key operational and leadership roles in some grants, including several that have come directly to the SWORWIB for use by the SuperJobs Center for additional services and training funds. Others have been very complicated and require strong, on-going cooperation by all involved parties. Marshall expressed some concern about how to maintain some of these efforts as the stimulus funds time-out and now there are more people and organizations with unrealistic expectations about continuing funding when funding is being significantly reduced. Stuckey asked for clarification about how we are channeling customers to other organizations for services. President Marshall noted that the SuperJobs Center operator is beginning to use the referral capacities of the Gstars Customer Tracking system. More importantly, many other community organizations, through the broader regional data collection and reporting joint project of the United Way, Greater Cincinnati Workforce Network are also using the Gstars system. She reminded the Board that this was part of their broader vision back in 2006 as originally undertaken by the SWORWIB with a grant from the Greater Cincinnati Foundation that has now become this regional data collection and reporting effort, and formed the basis of the SWORWIB Measurement and Continuous Improvement Committee's ongoing annual work plan.

Marshall informed the Board members that there were three additional policies in the packet that were identified through an audit of the state's policy website to determine that Area #13 SWORWIB had responded to all of the state's request for policies. She asked if there were any questions about these three policies that needed to be answered in order to approve them. There were no questions about these three policies:

- Mandated Use of the State's SCOTI database system
- Optimization of G*Stars

- o Self Sufficiency Determination for Adult and Dislocated

Marshall continued with other business items.

- Massey Announcement: Marshall asked and the members responded with a round of applause for Patricia Massey's second year anniversary as the SWORWIB Executive Assistant.
- Information Cards: Marshall distributed "information cards" about the SWORWIB for the use of the members and staff and thanked Frisch's for their print shop assistance in addition to agreeing to provide this year's breakfasts for the Board Members
- Employers First Regional Innovation Grant: Marshall announced that consultants from the Thomas Miller firm from Indianapolis will be contacting employers throughout the broader region as part of the Regional Innovation Grant that was awarded to the Northern Kentucky WIB to work with Workforce One, SWORWIB and Southeast Indiana WIB to improve services to regional employers by the Workforce Investment system. This group of WIB Directors and one-stop operators have been working collaboratively for the last ten years, but this grant will allow them to formalize the structure of the Employers First Regional Workforce Collaborative and market to employers region-wide. Marshall asked for cooperation of the employers on the board with the surveys and interviews that are planned throughout the fall.
- Ohio Skills Bank: Marshall explained an evolving role of the Ohio Skills Bank relative to identifying high demand training and providing resources for employers to develop local training partnerships that meet their workforce development needs. The Ohio Skills Bank issued a request for proposals from employers in late July which has been widely distributed and will also be distributed to the board members. Harry Snyder, the local administrator of the Ohio Skills Bank spoke to the interest in partnering with employers and asked for those interested to contact him or see him after the board meeting.
- The White House Summit on Community Colleges and the One-Stop System. There is to be a White House Summit in September or October on better connecting WIA and the Community Colleges across America for which President Marshall has provided input to federal staff via telephone interviews. Marshall asked Henderson of Cincinnati State Technical and Community College to represent our partnership at the national event and in his leadership role with key elected officials. Henderson noted that this conversation has been going on for some time and that other WIBs and WIA areas are not as strong in partnerships as the SWORWIB.

With all questions about the President's Report answered, Strange moved, Henderson seconded a motion to approve the President's Report, including all policies and actions within, both as previously distributed and as additionally presented. Motion passed unanimously.

VII. Presentations:

Marshall noted that the May meeting had included presentation of perspectives about the economy from all the Chamber members of the board, economic development members as well as employer representative groups and developers to help us understand the economic conditions we are all working within to serve all our customers. This meeting, there will be a presentation from labor representatives on the board about their perspectives on the economy and a presentation by a board member leader of an employment agency representing the industry that often is seen as a leading indicator of economic recovery.

Labor's Perspective on the Economy

Doug Sizemore, Executive Secretary-Treasurer of the Cincinnati AFL-CIO Labor Council presented the Council's *5 Point Plan to Create and Save Jobs* that includes: extend unemployment for jobless workers, rebuild schools, roads and energy systems, increase aid to state and local governments to maintain vital services, put people to work doing work that needs to be done, and put TARP funds to work for Main Street. Sizemore distributed a handout explaining each of these points in more detail. Cathy Metcalf, Executive Director of Cincinnati Labor Agency for Social Services (CLASS) introduced Michelle Dillingham, Project Manager for their Community Construction Career Readiness Collaboration (3CRC Program) who presented Responses and Solutions to the Economic Crisis through Workforce Development. Their framework for recovery includes strategies for partnerships designed to (1) Increase Skills, (2) Promote Innovation, (3) Support Industry Sustainability and (4) Share Prosperity Equitably. The attached PowerPoint handout outlines each of these strategies in more detail and more fully describes this partnership and their start-up success with program completion and apprenticeship and employment placement.

Staffing Agencies as an Economic Leading Indicator

Betsy and Charles Harris presented a well documented report on Temporary and Contract Staffing Employment as a near real time economic indicator. This means that changes in the number of temporary help jobs occurs at the

same time as changes in the economy. When temporary jobs grow, the economy is growing. When the temporary job numbers decline GDP shrinks. Emergence from a recession lasts about two years. When the economy is emerging from a recession temporary employment begins to grow about three to six months before total employment begins to grow. When the economy is growing at a normal pace temporary employment leads total employment by about six months. In other words, if we see double digit increases in temporary help we can expect stronger demand for direct hire. Conversely, as demand for temporary help weakens you can expect demand for direct hire will weaken in about six months. The Bureau of Labor Statistics (BLS) projects that the temporary help occupations projected to have the highest job growth over the 2008-18 period include health care-related positions, office and administrative support positions, engineering positions, and transportation and material moving occupations. The aging baby boomer population and growing demand for medical services were cited as the main drivers behind the high percentage of job growth expected for health care practitioners, medical technicians and registered nurses. The BLS also projects a significant increase in managerial occupations as both federal and state government agencies are increasingly expected to contract out the management functions of their agencies. According to the BLS the employment services industry, primarily temporary and contract staffing, will be the fifth largest growth industry as small-mid size companies out-source HR Departments, shorter term flexibility is needed, immediate access to experienced talent is needed, and as a bridge to "permanent" jobs.

Board members questioned both presenters about changes they are observing in the economic conditions under which they operate as well as detailed questions about specific industry activities. Chairman Conner thanked all the presenters for sharing their perspectives with the Board.

VIII. SuperJobs FY 2009 Year End Report

In the absence of Director Vivian Alexander, Dorothy Edgerton; former Deputy Director, presented the year end report for July 1, 2009 through June 30, 2010 through a PowerPoint presentation.

- Unemployment rates in Hamilton County and Cincinnati in the service year rose 3% and now hover around 9.9%
- Hamilton County encompasses 27% of all closings in the state announced through WARN notices, more than Cleveland.
- All numeric contract goals were met or exceeded by Arbor E&T, LLC.
- SJC had 13,468 new registrations of which 3,701 were customers who received staff assisted services. The remainder were customers who used universal services (resource rooms, workshops, jobs postings) and do not include case management.
- 2,150 persons became employed
- 174 offenders became employed.
- The Business Services Unit served a total of 231 businesses.
- Manufacturing and Healthcare industries comprised the largest of the industry sectors placed with 18% and 6% respectively.
- The remaining 67% were in other industries with 46% (981) of these employed in Business Services such as Staffing Agencies.
- \$1,806,000 was spent for 523 ITA customers. Of this number 284 customers were funded with stimulus dollars. Of the dollars spent 47% were in Professional/Technical Services, 49% in Healthcare, and 29% in Construction & Related Industries.
- There were less than 100 complaints out of 13,000 registrants.

Marshall noted that rapid response activities devoted to dislocated workers being laid off in reductions and in plant closing was dramatically higher than in any of the past six years. She further noted the additional burdens of many of the dislocated workers who have limited literacy and numeracy that parallels the challenges of our drop-out youth. Unfortunately, the dislocated workers do not have any of the new technology competencies of even the drop out youth community. Just bringing these customers up to basic levels of technical competency before any further training would be worthwhile for employment has become a major challenge.

Marshall also noted that training funds had been held to a limited funds policy as of March 2010. Additionally, as a result of a single quarter allocation being issues for July 1 – September 30, 2010, the policy had been extended to a No Funds Available Policy as of July 1, 2010 that would continue through the end of September 2010 pending the State of Ohio issuing allocations for the remainder of the fiscal year so training funds could be dedicated again. Several board members expressed concern about no training funds in this economy, but also noted their understanding that with all the transition and adjustment from the ARRA funds at June 30, and the reduced federal formula funds, there was little that could be done. Marshall noted that the team of Marshall, Holt and Alexander had

been applying for additional funds for dislocated workers through statewide funding and through federal National Emergency Grant funding and expected to obtain some additional training dollars through these grants, but they would be restricted to individuals associated with particular layoffs and closings.

Board members commended the one-stop operator for continuing to meet contractual and state performance requirements even in the challenging economy, although also noting that they would welcome a return to our one-stop being able to exceed state performance requirements as it had been able to do periodically in prior years. Several board members expressed concern that more funding needed to be devoted to training accounts. Others noted that the presentation although better than last year's end of year report for understandability, still had numbers that didn't seem to add up and asked Marshall to work with the provider to improve the accuracy of the end of the year reporting. Hummel, Strange and Stuckey expressed concerns that the training investment decisions did not seem to mirror the Board's industry priorities very closely and also questioned whether Arbor had done any analysis of how well aligned the training results and employment results were so we could assure the community that the investment was resulting in employment and not just training for the sake of training. Hummel specifically questioned what kind of analysis is done by Arbor and then shared with customers and career coaches about which providers have better results between program completion and employment placement after training. Marshall shared with the Board that these very questions are part of a systematic review of all the eligible training providers and new expectations of the one-stop operator for following the SWORWIB's industry priorities and eligible training provider minimum standards through improved information sharing with the training customers. Marshall and Massey are completing the first annual review of eligible training providers against the August 2008 Training Providers Minimum Standards decision of the SWORWIB and expect some great improvements in the fall as some providers drop off from poor performance in serving our customers and funds again become available. McLarty asked for a followup report on Individual Training Accounts for the last few years with specifics about which industries, funds by providers, and employment placement results. Chairman Conner requested that Marshall work with Alexander for a mid-year report at the February meeting since the November meeting agenda is full.

IX. Public Comment

Conner asked whether any board members had any other business or announcements to come before the full Board meeting. Hearing none, Chairman Conner asked for comments from the public observers. There being no further comments from the Board or the public observers, Chairman Conner reminded members of the next meetings, particularly noting the need to change the date of the November meeting so as to be in compliance with honoring the official 11/11/2010 designated date for recognition of Veterans Day and not having the Board meeting on that Thursday but rather the following Thursday this year.

X. Next Meetings

- 9.9.2010 Executive Committee Meeting
- 10.14.2010 Executive Committee Meeting
- 11.18.2010 Quarterly Board Meeting (note date change due to Veteran's Holiday)

XI. Adjournment

There being no further business, Hummel moved, Gumbs seconded a motion to adjourn the meeting. Motion passed unanimously and Chairman Conner adjourned the meeting at 9:50 a.m.

Respectfully submitted,



Rene' McPhedran
Secretary

Attachments:

AFL-CIO and CLASS Presentation Handout
Betsy and Charles Harris, Express Employment Professionals, Presentation Handout
SuperJobs Center Annual Presentation