



The Southwest Ohio Region  
WORKFORCE INVESTMENT BOARD

**Quarterly Board Meeting  
SuperJobs Center  
Thursday, May 13, 2010  
8:00 a.m. – 10:00 a.m.  
Minutes**

**SWORWIB Members:** West Africa, Beth Brannigan, Michael Conner, Alfonso Cornejo, Timothy Devine, Natalie Galbato, Jennifer Graft, Brenda Gumbs, Betsy Harris, Richard Harris, Joe Hummel, Mike Kelly, Joseph Kramer, Paul Magnus, Tim McCartney, Walter McLarty, Rene McPhedran, Doug Moorman, Rob Reifsnnyder, Paul Reynolds, Jennifer Roeder, Richard Rust, Sean Rugless, Doug Sizemore.

**SWORWIB Members Absent:** Jay Alvaro, Steve Browne, Margaret Fox, John Henderson, Carl Hilliard, Gail Holloman, Stephen Kuebbing, David Pepper, Rick Powell, Gwen Robinson, Jim Schwab, Simon Sotelo, Pete Strange, Tyronne Stuckey, Vijay Sud, Amy Tanaka, Robin White, John Young, Joe Zimmer.

**SWORWIB Staff:** Sherry Kelley Marshall, Evelyn Chaffin, Pat Massey, Anne Mitchell, Cynthia Sibrel, Nicole Ware, William Ware, Kathleen Williams

**Resources:** Kevin Holt, Vivian Alexander, Dr. Jane Harrah,

**Guests:** Dan Cayse (for Dr. Henderson), Diana Dennis, Dorothy Edgerton, Lisa Fitzgibbon, Anne Gallagher, Kim Hopper, Kelly Kramer, Debbie Dutton Lambert, Emily Scardena, Harry Snyder (for Robin White), Eileen Turner, Leah Winkler, Sam Zonker.

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**I. Opening – Welcome and Introductions**

With more than a quorum present, Chairman Conner opened the Quarterly Meeting of the SWORWIB at 8:00 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.

**II. Approval of the Agenda**

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 remove from the consent agenda for separate discussion. There being no requests for agenda changes Cornejo moved, McLarty seconded a motion that the agenda be approved as previously distributed. Motion passed unanimously.

**III. Consent Agenda**

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

- Annual Meeting Minutes 2.11.10
- Chairman's Report
- Policies
  - Complaints Management
  - Dislocated Worker ITA
  - Incident Report Management
  - Incumbent Worker Training (IWT) with Local Formula Funds under Waiver Authority
  - ITA
  - Local OJT Requirements
  - Social Media Policy
  - Poverty Income Guidelines
  - WIA Formula or ARRA Funding Decision
  - Five Percent Youth Income Exception
  - Changing Youth Enrollment Status to and from In-School and Out-of-School

- Emerging Workforce Development Council Monitoring Policy
- Use of ITAs for Youth
- Participation Date
- Sixth Barrier – Youth Eligibility
- Supportive Services & Cash Incentives for Youth
- Youth Eligibility Requirements and Documentation
- Determination of Status for WIA
- Required Partners Leadership Committee Report
- Measurements and Continuous Improvement Report
- Workforce Partners Council Report
- Emerging Workforce Development Committee Report
- Media and Public Relations Report
- Administrative Entity Report
- SuperJobs Center Report

#### **IV. Nominating Report**

Reynolds reported that seven of the current members will not be renewing terms or have resigned. Additionally two members are unreachable and will be terminated for absence and inability to be reached. Marshall, Reynolds, Conner, Browne, Graft, and McLarty are recruiting new members for the board's consideration at the November meeting. Included in the board packet was a nomination form that all board members were encouraged to complete and send to Marshall if they have candidates. In addition, letters will be sent to a number of leadership organizations asking for nominations. Reynolds asked that any members with entrée to appropriate contacts please contact Marshall or himself to follow up with personal interviews.

#### **V. Key Issues: Various Perspectives on Economic Conditions and Focused Activity in the Region**

Dr. Jane Harrah, Senior Director, Center for Economic Analysis and Development, NKU

Harrah reported that the worst of the economic plunge appears to be over, although, improvement is not showing in job recovery yet and may be significantly delayed. Wage and salary employment in the NKY/Greater Cincinnati area was down overall 6.3% with the goods producing sector down 13.6% and the service providing sector down 4.9%. The level of unemployment is leveling off but not improving with the rate of unemployment in this region doubling between March of 2008 and March of 2010 from 5.3% to 10.6%. The area has experienced 65,000 job losses with regional weekly unemployment claims up 39.8 percent (2,977 persons weekly). The production of new housing units decreased from 1000 new units in 2005 to 300 new construction units in January 2010 with the value down by the same percentage. The housing market has been overbuilt by about an 18-months supply and while the Greater Cincinnati housing market has suffered like everyone else it has done so less dramatically than other areas. At the Greater Cincinnati Airport the passenger and freight numbers are down twice the rate of the average metropolitan airport. The purchasing index is down 3.4 points from the past 12 months but this was from a very low level even 12 months ago. The average hours per week are up to 42 hours per week from a low of 36 hrs per week. If this indicator increases we should begin to see employment pick up; first in the temporary market. The period of increase in temporary employment is expected to be extended more than normal as employers remain tentative about the stability of the market and as they find they can produce relatively well in the short term with employment at the current level. There is no expectation for a significant increase in the labor market over the next 12-18 months. Public debt as a percentage of GDP in 2010 is 94.3% while household debt as a percent of annual disposal income is at 130.6%. This level of debt is decreasing primarily by the increasing number of households walking away from debt. We can expect a second wave of housing foreclosures over the next two years.

Alfonso Cornejo, President, Hispanic Chamber of Commerce

Marshall apologized for the incorrect listing of the speaker in the SWORWIB agenda explaining that she used to work with an Ernesto Cornejo and his name overrode Alfonso's as she reviewed the agenda. Cornejo was gracious and forgiving of the error. Cornejo noted that the findings from Dr. Harrah's report resonate with his understanding of the economic situation in the region. He reported that the Hispanic Chamber of Commerce is the area's largest Hispanic group and as such fields all kinds of questions not normally associated with Chamber of Commerce focused work. As a group they are experiencing an increasing number of political attacks and hate mail. The majority of members are small businesses and micro-enterprises of 1-3 employees. The Hispanic Chamber works to partner with larger groups to expose members to opportunities in the greater community and to increase their networking opportunities by volunteering to serve on nonprofit boards and committees. Volunteering for corporate boards and institutions is not a Hispanic cultural habit and needs encouragement. Finding time for volunteering is also difficult for owners of very small businesses. Of the 250 members many have highly educated spouses who cannot find work or work commensurate with their education.

Sean Rugless, President, Greater Cincinnati & Northern Kentucky African American Chamber of Commerce

Rugless similarly agreed with the overall summary of the economy and noted that minority businesses and jobseekers are often disproportionately impacted in such economic conditions. He explained that the African American Chamber focuses on cultivating strategic partnerships and business development. They are the largest African American Chamber in the state of Ohio and in the top 10% of African American Chambers in the country. Membership is approximately 250 members with two-thirds of the business members employing 1-5 employees and under \$1 million in sales. Their goal is to enable strong contributions from African American businesses to our regional economy. Through collaboration with other ethnic chambers and business organizations they make positive contributions to the entire minority business community. The context within which they work is that small businesses drive the economy, by producing economic activity, job creation, tax base and transformation of communities. Ohio is 40<sup>th</sup> in the nation in unemployment. But in Ohio's largest cities 1 in 4 unemployed residents are an ethnic minority; in the second and third largest metropolitan cities their unemployment increases to 1 in 2. The economic health of our cities and state are intimately tied to the health of minority businesses and employment. When surveying the landscape of institutions and organizations the African American Chamber is focused primarily on business transactions, and collaboration on a range of issues including workforce development. The primary focus areas for activities and offerings are promoting inclusion (partnerships that enable purchasing activity for minority businesses), business development with the specific goal of moving businesses from \$200,000 to \$500,000 to \$1 m and over, advocacy and member promotion and communications to advance the dialogue on minority business. Their key initiatives now are partnering with the City of Cincinnati in contracting as well as surveying nationally the best practices for inclusion and bringing them forward, working on developing a minority inclusion policy for hiring and contracting with the Casino development, participating on Governor Strickland's Minority Business Advisory Council and limited involvement in the Cincinnati Public Schools. They also have a strong focus on transportation as well as involvement in focusing talent on energy initiatives and construction practices. Rugless also noted the Asian Chamber activity and India Chamber activity underway in the region demonstrating the broad minority representation in our economy.

Doug Moorman, Vice President for Economic Development, Cincinnati USA Regional Chamber

Moorman noted that Dr. Harrah's Moorman explained that the CincinnatiUSA Regional Chamber works in 15 counties to attract new businesses as well as promote business retention and expansion. Currently the pipeline for growth projects is the slowest it has been in many years, although Cincinnati continues to rank in the top 10 cities nationally in terms of growth projects. Currently they are working on 247 growth projects but, unfortunately, this will not result in net job gain for the region. The largest projects are the Casino development, the opening of Premium Outlets (800 expected jobs), Children's Hospital (700 expected jobs), and GE Aviation retention (5,000 expected jobs). The primary area for activity is along the transportation corridors. The Fortune 500 companies continue to be a tremendous magnet and help promote the message to businesses that "you should come here to look for all services to market and brand your services at a lower cost point." They are working to win back air service, especially international air service. The airport has non-stop to top 65 cities and is the only city in Ohio with any direct air service to Europe, although we have lost Frankfurt, Paris, and London.

Chairman Conner asked Hummel if there was anything that his organization could add to the discussion about the economic conditions and Hummel pointed out that in the construction industries they need training to replace retiring workers but at a much higher skill level than has been historically required and not as quickly as everyone has been projecting since many workers are delaying retirement due to losses in their plans. Representing the many members of Employers Resource Association, Graft noted her observation that area businesses are increasing the number of hours and showing early interest in hiring in the manufacturing and distribution areas just as Dr. Harrah had indicated. Kramer shared that the development market is doing well in some areas of the region and less so in others and that everyone is paying attention to the impact of recent developments coming on line with commercial real estate rentals. Sizemore appreciated the comments from various members while also raising concerns that the economic development discussion had not included a report from the labor perspective, which he would be willing to present at a future meeting. Conner indicated that time would be made available on the August agenda for the labor perspective on the current economy, as well as perhaps a presentation from Betsy Harris as a staffing agency employer on the board relative to the leading indicators update.

In closing the economic presentation agenda item, Chairman Conner asked that Marshall locate a microphone system and working PowerPoint presentation display for future board meetings since the slides were not showing on the wall and it was difficult to hear the presenters. He also asked that presenters be asked to provide a readable copy of their PowerPoint slide show to the staff so copies could be reproduced that would be readable.

## **VI. President's Report**

### Farewell to ARRA Staff

Marshall explained that three staff will be exiting the SWORWIB at varying dates and she wanted to recognize and thank them for their contributions to the SWORWIB work. Chaffin worked on SCOTI and GStars. Sibrel drafted most of the policies and Williams produced the Annual Report, started the monthly NewsWIB e-newsletter, produced the videos documenting the ARRA Summer Youth Program and managed press, elected officials and marketing for the SWORWIB. Conner also expressed thanks on behalf of the Board and wished them well in their new endeavors.

### FY 2010-2011 Budget

Marshall presented the July 1, 2010-June 30, 2011 consolidated SWORWIB budget for Board approval. She reminded the Board that last year's budget was almost twice as much, due to ARRA and construction projects special funding. Because of the challenging budget for FY2011, a portion of the President's salary will be underwritten by one-time private funds and adjustments in the budget are expected at 10/1/2010 when reprogrammed dollars can be redirected. Conner complimented Marshall on figuring out how to handle the budget after the challenging news about administrative dollars needed by Hamilton County for the fiscal year. He also complimented her for obtaining support from the CincinnatiUSA Chamber for office rent reduction in order to stay within the budget. Hummel moved, Gumbs seconded a motion to approve the budget as presented. Motion passed unanimously.

### New Policies

#### o Industry Sectors Update

Marshall reviewed the policy recommendation for an updated training Industry Sector List for July 2010 – June 2012. The new Prioritized Industry Sector List reduced the sectors from 10-8, however, the new sectors do combine the prior ones and are based on specified industry sector information within the policy so training providers can find the answers to these selected industries on their own by reviewing the references. Marshall complimented Sibrel for the references research. Sizemore moved, Reifsnnyder seconded a motion to approve the Industry Sector Updated policy. Motion passed unanimously.

#### o Managing Consumers Complaints

Marshall reviewed the new policy on "Managing Consumers Complaints at the One-Stop" resulting from a required webinar with Ohio Department of Jobs and Family Services requesting that these policies be outlined as to assist with the increased number of complaints resulting from the growing number of unemployed former workers and anticipated increase in demand from those who will be exhausting their unemployment benefits. McCartney noted that the state budget is seriously in the red with the unemployment fund \$4 Billion in debt and the pension fund for state employees underfunded. He noted that many are expected to exhaust unemployment insurance in Hamilton County but not all of them will come into HCJFS and the SuperJobs Center but many will. Sizemore moved, Kramer seconded a motion to approve the new policy. Motion passed unanimously.

### Board Business Plan t and One Stop Memorandum of Understanding Amendment (MOU)

Although the Board needs to develop a replacement five-year business plan, the State of Ohio and U.S. Department of Labor are waiving the time frame for a strategic five year plan pending progress on the re-authorization of the Workforce Investment Act, so our current plan is extended year to year pending a requirement to undertake a new strategic plan vs. annual updates. Nonetheless, Marshall reported that the Ohio Department of Jobs and Family Services identified changes needed for business plan documentation related to services to Veterans and changes in state leadership and organizational structure that needed to be adjusted in all Ohio WIA area business plans and Memorandums of Agreement. Marshall reviewed the language changes and the amendment resolution and revision amendment document. Rust moved, Reynolds seconded a motion to approve the Business Plan Amendment and MOU resolution as prepared and distributed. Motion passed unanimously. Marshall noted for the Board that renegotiations for the FY2012-2013 MOU will begin in January and will be very challenging given the staffing reductions and their impact on one-stop staffing and services, as well as cost sharing to cover the expenses of operating 1916 Central Parkway.

### Grant Updates

Marshall reported that a total of \$45 million has been awarded regionally through various grants with dozens of organizations presenting interagency cooperation in applications. All of these have some component of workforce development involved in their implementation.

### Audit Updates

Marshall noted that all audits through April 2010 have been completed. There are still a couple of audits that have outstanding written reports from the auditors, but post exit conferences have gone very well so no financial findings are expected.

### 1916 Building Report

Marshall reported that the 1916 building renovations, particularly the ADA entrance vestibule and sidewalk, are expected to be completed June 30, 2010 which meets the funding timeline. Some warranty and repair work on the parking structure upper level will be also be completed. Marshall was commended for leading these critical facility projects to completion.

### 1916 Central Parkway Property Tax Exemption Update

Efforts to obtain property tax exemption resolution for the use of 1916 Central Parkway by a private vendor, Arbor E&T, LLC, are moving forward with a sublease amendment to outline the unique use of space by the vendor for recalculation of property taxes. The sublease will need to be executed by Arbor, and then approved by the Hamilton County Board of Commissioners before Marshall can request the redetermination by the State of Ohio.

### Ohio Means Jobs

Marshall reported that the Governor's Workforce Policy Board has determined that the State of Ohio will conduct co-branding of all one-stop centers with the brand name, *Ohio Means Jobs*, which will also be used by the Department of Development and the Ohio Board of Regents. This has been a priority of WIB directors throughout the state for a decade, so there is much agreement about moving forward with a statewide system brand. Implementation will roll out over time so supplies of marketing materials can be depleted and new ones include the OMJ branding. The State is to provide design guidance. The SWORWIB will use the phrase, an *Ohio Means Jobs* affiliated partner, on the website and with SWORWIB and SuperJobs Center marketing over time.

### Other

- Build Your Future: Marshall distributed the year-end annual report for Spirit of Construction Middle School Advocacy Program known as Build Your Future. She complimented Anne Mitchell on the groundbreaking work she has done for this project.
- Myths and Misperceptions: Marshall distributed a summary labeled *Myths and Misperceptions about the SWORWIB* she developed to help board members address some of the misperceptions they may hear about the SWORWIB and SuperJobs Center particularly in these challenging times. Sizemore stated appreciation to Marshall for the information which he finds helpful in understanding the conflicting expectations about the SWORWIB that he hears.

## **VII. Public Comment and Announcements**

Conner asked if there were any other business or announcements before adjournment. Devine followed up on McCartney's comment about the State of Ohio being millions of dollars in the red through FYs 2012-2013 with additional layoffs expected so our work will continue to be challenging in the coming years and we will be unlikely to have the resources that are needed for the demand.

Conner asked for comments from the public observers. Lisa Fitzgibbon of Easter Seals WRC requested that board packets be available to the public attending the meetings to better follow the discussions. There were no further comments.

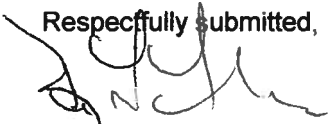
## **VIII. Next Meetings**

- June 10, 2010 Executive Committee
- July 8, 2010 Executive Committee
- August 12, 2010 Quarterly Board Meeting
- **DATE CHANGE**: November 18, 2010 Quarterly Board Meeting since the SWORWIB honors priority status of Veterans under WIA recognizing the official Veterans Day holiday.

**IX. Adjournment**

There being no further business, McPhedran moved, Hummel seconded a motion to adjourn the meeting. Motion passed unanimously. The meeting adjourned at 10:02 a.m.

Respectfully submitted,



René McPhedran  
Secretary