

SWWDB – PROGRAM OPERATIONS COMMITTEE

July 18, 2006

MINUTES

2:00 to 4:00 p.m.

Mr. Tom Larsen, Chairperson

The Southwest Wisconsin Workforce Development Board (SWWDB) Program Operations Committee (POC) met on Tuesday, July 18, 2006 in the Community Room of Wisconsin Community Bank in Monroe. Attendance was as follows:

Members Present:	Mr. Gary Bezucha Ms. Carmen Granados Dr. Karen Knox Ms. Suzanne Lee	Mr. Walter Orzechowski Mr. Tom Schraeder Mr. Larry Ward
Members Excused:	Mr. Tom Larsen Ms. Margery Tibbetts	
Others Present:	Ms. Mary Johannesen	
Staff Present:	Dr. Robert Borremans Ms. Shannon Moe Ms. Amy Charles	Ms. Barb Tucker Ms. Annette Meudt Ms. Petra Reinhardt

Because Tom Larsen was not available, Dr. Karen Knox served as Acting Chair and called the meeting to order at 2:12 p.m.

1. WIA 35% Requirement (Informational)

Barb Tucker explained that Department of Workforce Development (DWD) has set a goal for all Workforce Development Boards (WDBs) that 35% of the WIA allocation for Adults and Dislocated Workers must be used for training in high-wage jobs. The definition of high-wage jobs is a job that pays at least \$12.93/hour, which is the median wage for all jobs in the Southwest Wisconsin WDA.

For PY-05, SWWDB allocated 26% for all training. To achieve that 35% goal, SWWDB needs to increase the amount it allocates for training and all training funds must be used for training in high-wage jobs. Increasing the training allocation, decreases the money available to program operators for non-training activities.

Training programs that are qualified under the high-wage criteria are those programs that have starting wage equal to or higher than the \$12.93/hour figure as documented by the Technical College "Graduate Follow-up Report" or similar documentation supplied by other training providers. Using this criterion will limit the training options/programs available to clients. It will also increase the length of training because most programs that "qualify" part two-year programs.

DWD originally said the 35% criteria was a goal, but now they have made it a requirement. Staff has communicated their concerns about this requirement, but DWD has not changed their opinion and expects a good-faith effort to meet this goal. Ms Tucker reviewed a letter from Roberta Gassman, DWD Secretary, and a memo by Bill Clingan, DWD/Division of

Workforce Solutions Administrator stating the DWD expects the WDBs to make a “good-faith” effort to meet this goal. DWD will also allow participants to enroll in training programs below the \$12.93 median wage if it can be proven that the lower wage program is part of a recognized, long-term “career ladder” plan that will lead to a high-paying job.

Dr. Knox asked if the Technical College’s “Graduate Follow-up Report” had been used in DWD’s analysis of wages when they reached the \$12.93 starting wage goal. Dr. Borremans said that it had not and that DWD did not have a good understanding of how this criterion would impact training opportunities. Dr. Knox then distributed copies of Southwest Tech’s report to the POC members.

SWWDB’s Local WIA Plan, developed this Spring, has been approved and seeks to comply with the 35% requirement. SWWDB program operators have expressed concern about this requirement will impact their clients and possibly their program performance. They have noted that other WDBs have been reluctant to accept the 35% requirement and may not work to achieve the goal. Dr. Borremans said that he believes that SWWDB must make an effort to achieve the 35% figure.

2. **Eligible Training Provider List**

To comply with the 35% high wage goal, the training programs available to customers must provide the opportunity to earn a wage of \$12.93/hr. Ms. Tucker reviewed a list of training programs (Enclosure on file) available from Southwest Wisconsin Technical College, Blackhawk Technical College, and the statewide Technical College System that meet the DWD criterion. She stated that these are the only training programs currently approved for SWWDB programs. Programs that have a starting wage of less than \$12.93 are no longer qualified for SWWDB funding. Also, other training providers currently approved for SWWDB funding will have to submit documentation verifying employment wage rates exceeding that standard to continue to be eligible for SWWDB funding. At this time, all other training providers have been suspended pending receipt of such documentation.

3. **SWWDB Training and Support Policy (E-420) Update**

The SWWDB provides reimbursement for training and support services for participants. Although the SWWDB Local WIA Plan contains information explaining how SWWDB will administer training and support service payments, the Board has not formally adopted a policy statement.

A new policy, E-420 – Training and Support Service Payments, was presented by Ms. Tucker and discussed by the committee. Ms. Tucker explained that the payment guidelines have not changed since 2003 and reviewed the recommended changes contained in this policy. Dr. Knox questioned how the lifetime limits would impact youth participants. It was noted that this policy only applies to Adult and Dislocated Worker participants. The Committee recommended modifying the policy to clarify this point.

Larry Ward moved and Walter Orzechowski seconded a motion to recommend adoption of Policy E-420 – Training and Support Service Payments, as modified, to the full Board. The motion was approved unanimously.

Next, Annette Meudt reviewed the handout showing the support and training dollars available to Program Operators during the PY-06 and discussed the amounts with the POC. It was noted that the training and support amounts reflects carryover funds from PY-05. No action was requested from the committee on this item.

4. **PY2005-06 DWD Monitoring Report**

Ms. Tucker stated that SWWDB as a new Local Program Liaison (LPL) – Karen Pfeil. Ms. Pfeil has previously worked with SWWDB in the early stages of WIA but has not been involved with SWWDB recently. So, this was the first time that Ms. Pfeil has monitored SWWDB in recent years. The impression of staff was that she took more time, and reviewed documentation to a greater level of detail and scrutiny compared to the last LPL.

The monitoring report contains a total of six (6) Findings and eleven (11) Observations. A Finding is any event or situation that does not comply with federal or state regulations, and requires corrective action. An Observation is an event or situation that needs improvement in administrative and management practices, but does not represent instances of noncompliance.

Ms. Tucker reviewed contents of the report and responded to questions from the committee members. Some of the Findings resulted in disallowed costs that SWWDB will need to repay. It was also noted that several of the Findings occurred in 2002 and 2003, prior to the change in SWWDB leadership. The report also identifies corrective measures that SWWDB will need to implement to improve oversight of program activities. Ms. Tucker noted that SWWDB has already begun the process to improve management systems and that updating E-420 – Training and Support Service Policy is an example of those efforts.

It was noted that, at this time, the report is still preliminary. SWWDB has an opportunity to correct any incorrect factual information contained in the report. The report will then be finalized and SWWDB will respond citing specific corrective actions that will occur to correct the Findings.

The committee expressed surprise that the monitoring was reviewing files from so long ago. They also were very supportive of the organization's efforts to provide oversight and implement changes needed to improve program management. Staff will bring the necessary corrective measures to the POC in the future.

5. **Program Operators Performance**

Barb Tucker distributed the quarterly Program Operator Performance Reports. In the interest of time, it was decided to skip the detailed review of the reports. Ms. Tucker encouraged committee members to review the reports and contact her if they had questions.

6. **Adjournment**

A motion was made by Larry Ward moved and Carmen Granados seconded a motion to adjourn the meeting at 4:07 pm. The motion carried unanimously.

The next POC meeting is scheduled for Tuesday, October 17, 2006, 2:00 – 4:00 p.m. The location is tentatively the Wisconsin Community Bank in Monroe. It was mentioned, that SWWDB has a new teleconferencing system that might be used for future meeting. However, Dr. Borremans explained that the complexity of the performance measurement system might make it more feasible to meet face-to-face for the next meeting.