

**SWWDB – WORKFORCE SERVICES COMMITTEE**

**July 19, 2006**

MINUTES

3:00 to 5:00 p.m.

Ms. Cindy Harrington, Chairperson

The SWWDB Workforce Services Committee met on Wednesday, July 19, 2006 at the Rock County Job Center, Janesville, Wisconsin, and through various locations in the area through the Meet Me Now web conferencing software. Attendance was as follows:

<b>Members Present:</b>	Mr. Charles Elliott	Ms. Suzanne Lee
	Ms. Cindy Harrington	Ms. Regina Prude
	Mr. Tom Hogan	Mr. Steve Scaccia
	Ms. Jennifer James-Baker	Mr. Geoff Upperton
<b>Members Excused:</b>	Dr. Gary Albrecht	Mr. James Otterstein
	Ms. Amy Banicki	Mr. Bruce Palzkill
	Mr. Ken Hendricks	
<b>Staff Present:</b>	Dr. Robert Borremans	Ms. Shannon Moe
	Ms. Amy Charles	Mr. Michael Schultz

Dr. Borremans called the meeting to order at 3:04 p.m.

**1. Election of New Chair for Workforce Services Committee**

Ms. Charles explained that Jim Finley, is no longer serving on the Workforce Services Committee. He has accepted the position of Treasurer for the Board and therefore will be serving on both the Executive Committee and the Finance Committee. Based on a recommendation from Mr. Finley, Dr. Borremans contacted Ms. Cindy Harrington who has indicated a willingness to serve in that capacity if nominated. Ms. Charles asked for nominations for the position of WSC chair from the floor.

**Mr. Elliott moved and Mr. Scaccia the motion to nominate Ms. Harrington as WSC Chair and to close the nominations. The motion was approved unanimously. Mr. Elliot then moved and Mr. Scaccia seconded a motion to elect Ms. Harrington as Chairperson of the Workforce Services Committee. The motion was approved unanimously.** Dr. Borremans congratulated Ms. Harrington on her new position and turned the meeting over to her.

**2. Presentation of the SWWDB Business Plan**

Ms. Charles reported that SWWDB is required to submit an area-wide Business Services Plan as part of the requirements of the WIA Local Plan process. The Southwest Wisconsin WDA Business Services Plan is due September 1<sup>st</sup>.

Ms. Charles explained that staff have prepared amore traditional type business plan to save as a strategic plan for SWWDB business services. She highlighted key sections of the plan including the Executive Summary and Mission statement. As the discussion progressed, Ms. Charles referred its committee to Section 3.3.2 – Intensive Services, and indicated that these are the types of services that will be developed into “fee for service” contracts. Mr. Scaccia inquired as to whether the Board has the adequate staff to deliver

these services. Dr. Borremans responded that delivery of most services will be through Ms. Charles and Ms. Moe. Job Center staff would also be used as appropriate. He added that Barb Tucker, Annette Meudt and he have experience in human resource management and would assist, as needed, in the delivery of services. Dr. Borremans also stressed that SWWDB is working to create a "call list" of people and professional resources who would be willing to assist SWWDB deliver contracted services.

Mr. Scaccia then asked if SWWDB was creating a liability issue for itself by contracting certain services, particularly background checks and drug testing. Ms. Charles indicated these services would be contracted for through professional vendors, which should mitigate SWWDB liability. Dr. Borremans stressed that in situations that warrant, legal counsel would be contacted and utilized, and those costs would be a direct cost included in the contract.

Discussion then focused on the number of referrals that Job Center Business Services Team partners would be required to make. The committee felt that 5 contacts per week seemed high, and that the number should be reduced to three. The committee then discussed the pricing strategy. Section 6.1 – Pricing Strategy explains that contracts will be based on full-cost recovery for direct costs (i.e. staff salaries/wages, fringe benefits, travel, meals, etc.). A 30% administrative fee added to all contracts. Mr. Elliott expressed concern over this pricing strategy, indicating it may make it difficult to keep services affordable to smaller clients, and Mr. Scaccia concurred. The consensus was the pricing structure should be more flexible in allowing for pricing negotiations with clients.

Dr. Borremans indicated that Mr. Otterstein sent him comments prior to the meeting. Mr. Otterstein believes that the first year revenue goal of \$90,000 is rather aggressive and overly optimistic. Discussion followed regarding the costs associated with operating the Business Services Team, and how the 30% administrative cost may effect contract development. Dr. Borremans indicated that the \$90,000 sales goal is aggressive, but should be attainable if leased employees are counted as part of the Business Services revenue. Ms. Charles said that she and Ms. Moe would also be developing potential contracts along with the Job Center Business Services Representatives.

Mr. Elliott stated that the plan seems sound overall, and felt it should be used with the Job Center business service partners to develop Business Service Plan for the Southwest Wisconsin WDA. Mr. Elliott moved approval of the SWWDB Business Plan with the following modifications: Reduce the number of weekly contacts from five (5) to three (3), reduce the revenue projection from \$90,000 to \$60,000 and revise Section 6.1 – Pricing Strategy to allow for flexibility in assessing the 30% administrative fee on contracts. Mr. Scaccia seconded the motion. **The motion was approved unanimously.**

### **3. Progress on Implementation of Business Services**

Ms. Charles said the SWWDB Business Services brochure has been completed and is being distributed in both hard copy and electronic versions. Ms. Charles also indicated that she has already met with several employers regarding potential contract agreements. Mr. Scaccia asked what types of services clients are requesting. Ms. Charles indicated that most have been interested in recruitment services of varying levels. Ms. Charles and Dr. Borremans met with Manpower representatives to discuss opportunities for partnering on contracts that go beyond the capacity of SWWDB. These are the types of relationships that will produce the expertise and assistance needed to deliver contracts of

varying size and scope as the SWWDB and Job Center business services program grows.

4. **Confirmation of Receipt of CWI Special Innovations Grant for Virtual Job Center**

Ms. Charles announced the award of a \$100,000 Council on Workforce Investment (CWI) Special Innovations grant for the Virtual Job Center. This project will be completed in conjunction with two other workforce development areas – the North labial Workforce Development Board and the Northwest Wisconsin CEP. The two main purposes for developing the Virtual Job Center are to be able to provide extended access to Job Center services in a time where funding for physical Job Center sites is declining; and to provide access to Job Center resources and services 24 hours a day to both job seekers and employers.

Mr. Elliott moved and Ms. Lee seconded a motion to accept the CWI grant funds in the amount of \$100,000 for the Virtual Job Center. **The motion was approved unanimously.**

5. **Update on GROW Grant Status**

Due to some issues with the web conferencing access at the Rock County Job Center, discussion on this item was postponed until the next meeting. Dr. Borremans indicated that Ms. Charles would make an electronic copy of the Executive Summary of the GROW report available to committee members for their review, and that full copies of the report would also be made available if committee members so desired. Dr. Borremans briefly explained the history of the GROW project and how the project helped to identify driver industries for our region which include healthcare, manufacturing and bio-agriculture.

6. **Dislocation Report for Southwest Wisconsin**

Ms. Moe presented the quarterly report of plant closings for Southwest Wisconsin. Ms. Moe indicated that the report is based on local knowledge of company closures/dislocations. She stated that the local report is more accurate than the DWD WARN report which only details employers who have given notice of intent to close. The DWD WARN report does not document whether the closure and subsequent layoffs actually occurred. The local report also details smaller employers who are not required to report their dislocations to the State.

Dr. Borremans said that this quarter's report shows that over 250 workers in the area have been dislocated since the beginning of May, and that these positions had wages in excess of the median wage for the area. Ms. Moe will continue to bring this report to the Workforce Services Committee to keep members informed of regional economic conditions.

7. **Other Business**

None.

8. **Adjournment**

Mr. Elliott moved and Ms. James-Baker seconded a motion to adjourn the meeting at 4:12 p.m. The next meeting is scheduled for Wednesday, October 18, 2006 at the Rock County Job Center from 3:00 to 5:00 p.m. in Room D/E and will be available through web conferencing software.