

**Executive Committee Meeting**  
 Monday, May 10, 2010  
**Meeting Minutes**

The Executive Committee of the Southwest Wisconsin Workforce Development Board met on Monday, May 10, 2010 at the Rock County Job Center in Janesville. Attendance was as follows:

<b>Members Present:</b>	Mr. Scott Stocker, Chairperson Mr. Art Carter Mr. Rich Gruber	Mr. Tom Larsen Mr. Steve Scaccia Mr. James Finley
<b>Members Excused:</b>	Ms. Margery Tibbetts	
<b>Staff Present:</b>	Dr. Robert T. Borremans Mr. Ron Coppernoll Ms. Katie Gerhards Ms. Kathy Kessler	Ms. Annette Meudt Mr. Matt Riley Ms. Rhonda Suda
<b>Guests Present:</b>	Ms. Kate Bucko Ms. Julie Funk Dr. Karen Knox Ms. Cindy Harrington	Ms. Cindy Kiesling Mr. Walter Orzechowski Ms. Jean Sewell Ms. Barb Tucker

Mr. Scaccia called the meeting to order at 2:07 p.m.

Dr. Borremans introduced SWWDB staff – Ms. Annette Meudt, Director of Finance; Mr. Ron Coppernoll, Community Outreach Liaison; Ms. Katie Gerhards, Program Assistant; Mr. Matt Riley; Information Systems Specialist; and Rhonda Suda, Workforce Operations Manager. He thanked the staff for their assistance in the RFP evaluation process.

**1. Review and Presentation of Proposals for Workforce Investment Act (WIA) Title I Services**

**A. Manpower/SW Cap Proposal Presentation**

Ms. Harrington presented the Manpower portion of the joint Manpower/Southwest Wisconsin CAP (SWCAP) proposal. Mr. Orzechowski, Ms. Bucko and Ms. Sewell were present for the SWCAP portion of the presentation. The combined proposal will serve all six counties - Grant, Green, Iowa, Lafayette, Richland and Rock. The total funds requested are \$370,771.

Ms. Harrington described that Manpower will focus on training based on the needs of the client and matching the employee with the employer. She explained that some of Manpower’s ideas include looking at the current programs to see how they could be improved, changed or perhaps eliminated and others adopted with the goal of serving the client and offering a well trained employee to the employer.

Mr. Scaccia asked Ms. Harrington what job training means to Manpower. Ms. Harrington replied that it is to enhance the skills of a candidate through modules of training, schooling, certificate, OJT or short-term training opportunities. Mr. Scaccia asked if Ms. Harrington had been involved in this type of activity before. She stated that she had not been involved in workforce program previously, but added that Manpower has operated workforce programs in other areas and has an on-line Training Development Center used to enhance the skills of potential candidates. She said that there may be

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areas that could present a cost savings by having available training through Manpower.

Mr. Gruber asked how long it would take Manpower to evaluate the process and begin to deliver services. Ms. Harrington replied that she would need to put employees in place and prepare them to take over the contract. She stated that she believed that it would take 5-10 days.

Mr. Orzechowski began by explaining that SWCAP would be able to enhance the proposal submitted by Manpower due to their ties in the southwest area and ability to serve the remaining five counties of Grant, Green, Iowa, Lafayette and Richland. He stated that it would be about the same time frame of 5-10 days for SWCAP to be brought up to speed. He added that SWCAP has staff on board and would begin a process of bringing those staff up to speed with job training. He indicated that Manpower would also need to be educated with the programs that Southwest Wisconsin Technical College (SWTC) is currently involved in. He is not anticipating that additional staff will be needed. Mr. Orzechowski explained that SWCAP has the ability to work with employers through their Small Business Development Program.

Ms. Sewell stated the SWCAP Skills Enhancement Program is very similar to WIA programs and often works with WIA due to both programs having limited funding. She added that accessing the needs of employers is on-going and essential to providing the client with necessary skills.

Mr. Carter asked who determines how much money is available for training for each individual. Dr. Borremans explained that per SWWDB the amount available for each individual is \$8,000, which is based on \$2,000 per semester for a two (2) year program. He added that additional funding is available through WIA for support services, which is capped at \$1,500 per individual. The case manager would determine what programs and what level of services are available based on policy guidelines and the individual's plan.

Mr. Gruber stated that according to the budget it is proposed that there would be 5 case managers and one supervisor would be staffed in Janesville. He asked what the caseload per case manager would be and if the staffing plan was realistic. Ms. Harrington was unsure because Manpower had not operated the program before, but expressed comfort with the staffing plan. She stated that the number of people currently in the pipeline total approximately 1000, which equates to 200 individuals per case manager. Dr. Borremans explained that the optimum caseload per case manager is 150-160 individuals with the maximum desirable caseload being 200.

Mr. Gruber asked who would be the lead agency for contract management and administration and what assurances would be made for SWCAP to maintain the same rules and guidelines. Ms. Harrington stated that Manpower would be the lead agency. She added that performance goals and follow up would ensure that all were participating with the same set of rules and guidelines. Mr. Orzechowski added that SWCAP would be a subcontractor of Manpower with full understanding of compliance of the rules and guidelines.

Ms. Sewell stated that SWCAP planned on 2 case managers and one supervisor to keep the Fennimore location staffed and provide the necessary services. These staff would be covered under the contract budget submitted by Manpower/SWCAP. Mr. Gruber asked if the projected supervisors would be working supervisors and if they would maintain a caseload. Ms. Harrington stated that they would be working supervisors with a caseload but is unclear what their actual client numbers would be. She indicated that the budget does not include her hours. She said that she will provide project oversight and management on behalf of Manpower.

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Mr. Gruber asked what detail is included in the administrative fee of 20%. Ms. Harrington explained that the fee includes overhead and expenses and is a fluid, baseline allocation number until staff are hired. Mr. Gruber stated that he hoped that this number would be negotiable as he would like to see more money being spent on delivery of services to clients instead of administrative overhead associated with contract administration. Ms. Harrington stated that it would be negotiable to a certain extent.

Mr. Larsen asked how a conflict of interest would be avoided if the client were considered a client of Manpower. Ms. Harrington replied that it depends on the services the incoming client needs. She stated that if the client were in training, they would not have need for services with Manpower. Ms. Sewell added that it is important to coordinate services with all available options to increase their self sufficiency. Mr. Orzechowski believes that through creative programs and new ideas, they would be able to offer more options to clients for training. Mr. Carter recommended a separation of programs and services for clients being served and Manpower activities. Mr. Finley added that it makes sense that the program provider would use their in-house programming as part of the funding.

In conclusion, Mr. Orzechowski stated that he feels that SWCAP is flexible with innovative ideas to help clients and prepare them for the workforce. He added that as a result of their programming, they have been able to increase annual salaries by approximately \$8,000.

Mr. Scaccia asked if the collaboration of a for-profit entity and a not-for-profit entity would make SWWDB unique in terms of how other workforce boards operate. Dr. Borremans indicated that workforce board in other areas have contracted with for-profit entities, but is not aware of this type of arrangement currently operating in Wisconsin.

Ms. Sewell added that open communication and cross sharing of information would be a unique effort to provide clients with the best possible programming available through the collaboration between Manpower and SWCAP.

### **B. AFL/CIO/LETC**

Ms. Kiesling and Ms. Funk presented the proposal for the AFL/CIO LETC. The proposal would serve all counties; Grant, Green, Iowa, Lafayette, Richland and Rock. The total funds requested are \$350,000.

Ms. Kiesling stated that their purpose is to provide quality customer focused services, providing clients the opportunity to train and become educated to raise self sufficiency levels in preparation for their return to work or to find new employment.

Ms. Kiesling stated that AFL/CIO LETC currently holds contracts with 8 workforce development areas. She said that they have restructured their leadership team to include herself as the director and have new board members who share the goal of focusing on the quality and integrity of the services they offer.

Mr. Scaccia asked if the AFL/CIO still had affiliations with the union. Ms. Kiesling explained that they still do work with the labor community, but added that all work must be tied to employment and training. Ms. Kiesling stated that AFL/CIO LETC has no direct or legal connection to the AFL/CIO. Mr. Scaccia asked how AFL/CIO would conduct training without steering individuals to their specific type of training. Ms. Kiesling explained that they are a non-profit entity required to deliver services according to the federal employment and training regulations.

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Ms. Funk stated that AFL/CIO LETC has been a WIA dislocated worker program operator in Rock County since 2000, working with both union and non-union clients. Professional relationships with partner agencies, community leaders, elected officials, employers and program participants provide additional experience and help the case managers to deal with a variety of clients. She added that additional qualifications include an educated, credentialed and certified staff that is caring and dedicated.

Ms. Funk explained that AFL/CIO LETC would conduct WIA services from the client eligibility determination and registration through the 12 month follow-up process after a client becomes employed. Ms. Kiesling added that the sequential steps required take approximately 3 weeks to complete. Ms. Funk discussed performance and stated that 1,482 clients are receiving NEG and SRR funded services. Of those, 241 have become re-employed which includes GM workers who have been transferred to other GM facilities.

Ms. Kiesling concluded by stating that their experienced staff, quality services, reputation of integrity and excellence, and willingness to change, adjust and develop are qualities that make AFL/CIO LETC a good choice to become the primary program operator of WIA services in Southwest Wisconsin.

Mr. Gruber asked for a recap of requested staff. Ms. Funk stated that there would be a full-time case manager in Fennimore as well as full-time outreach employee who would both be new hires. Staff at the Rock County Job Center would include 4 full-time staff.

Mr. Gruber asked about projected case load per case manager. Ms. Funk explained that caseloads currently vary from 76 to 240, per case manager. Mr. Gruber stated that the current numbers would equate to approximately 105 clients per case manager.

Mr. Gruber commented that the 7% administrative cost was a good number. Ms. Kiesling stated that the 7% is the standard across the state, which is used in all of their contracts.

### **C. Southwest Wisconsin Technical College (SWTC)**

Dr. Knox and Ms. Tucker presented SWTC proposal. The proposal addresses services in Grant, Iowa, Lafayette and Richland counties. The total funds requested are \$168,224.

Ms. Tucker said that SWTC has been an active partner in the Job Centers since their inception. They have been active in rapid response activities and have worked with business services and economic development teams to provide specialized training. Ms. Tucker added that SWTC receives more than forty (40) contracts per year from different agencies. She added that although SWTC has not operated WIA programs previous it is familiar with the activities, case management and client reporting requirements through other grants, contracts and funding source reporting requirements.

Ms. Tucker added that one of their innovative ideas is the use of the Microsoft Live Meeting software that allows SWTC to offer areas such as Dodgeville and Richland Center adult basic education coursework via the Internet. Ms. Tucker said that SWTC is proposing to offer the WIA FutureTrac and core job search workshops using this technology. The course or training opportunities may be accessed using the Internet and a code provided allowing interaction between an instructor and student without the necessity to travel to the actual classroom.

Ms. Tucker stated that SWTC has staff who are experienced in grant/WIA management to provide

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program oversight. Beginning in July, Ms. Tucker will be responsible for overseeing the grants and contracts at SWTC. Paige Wegner, Director of Student Services and the person who will be the direct supervisor of staff delivering WIA services, has a history of grant management and supervisory experience.

Mr. Scaccia asked if grant management and writing are part of the same job. Ms. Tucker explained that although it is two separate pieces, SWTC staff is able to do manage both. Dr. Knox added that as a small organization, they can both write and manage grants.

Mr. Larsen asked about costs for telephone expenses. Ms. Tucker explained that phones are in place for SWTC's existing business and, therefore, there would not be an additional expense charged to this proposal.

Dr. Borremans asked that since a member of SWTC's staff would be indentifying and referring client to training, what steps will be taken to ensure that clients were not referred to and enrolled in SWTC inappropriately. Ms. Tucker replied that individuals are accessed for fit potential and if it is determined that they are not a good fit for training, they will not be enrolled. Dr. Knox added that there is a student appeal process if the individual felt they were inappropriately advised. Dr. Borremans said that through the monitoring and reporting mechanisms, inconsistencies could also be identified.

Mr. Gruber asked what comprises the 15% administrative fee. Ms. Tucker replied that it is a standard rate charged in most grants. She added that it is auditable. Monthly reporting, administrative time, oversight to some of the programming by Ms. Tucker would also be included in that fee. Mr. Gruber inquired about the 31.5% fringe benefit costs included in the SWTC proposal. Dr. Knox agreed that this is a negotiated rate for fringe benefits campus wide.

### **D. KRA Corporation**

KRA Corporation was not invited to present their proposal. Dr. Borremans indicated that this was a staff recommendation based on the cost of the proposal. The proposal would serve all counties; Grant, Green, Iowa, Lafayette, Richland and Rock. The total funds requested are \$1,399,619.

Motion by Mr. Finley, second by Mr. Scaccia, to accept the staff recommendation and eliminate the KRA Corporation proposal due to a high cost. **Motion carried unanimously**

### **E. Discussion/Conclusions**

Dr. Borremans asked if the committee wanted to award one proposal for the entire area or look at dividing the contract by some combination of counties. Based on SWWDB's review, Dr. Borremans stated that the most innovative proposal with the best staff background would be SWTC. Mr. Gruber suggested that the combination of SWTC and Manpower might be a viable solution. Mr. Carter suggested SWTC and a revision of the AFL/CIO LETC proposal to handle Rock and Green counties.

Dr. Borremans conveyed some concerns with the AFL/CIO LETC proposal. He stated that all of the staff contained in their proposal are currently employed under the NEG grant. Moving those staff out of NEG would create a void. He added that over the course of the last six (6) months, there has been some disharmony with SWWDB policy decisions, collaboration and cooperation. Dr. Borremans stated that their performance has been good and staff has done some good things with interesting approaches.

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Mr. Larsen stated that Manpower is a higher bid with additional travel and phone costs.

Mr. Scaccia suggested that SWWDB accept the SWTC proposal and request that Manpower and AFL/CIO LETC rebid for Rock and Green counties. Mr. Stocker stated that this combination would change the bid.

Mr. Finley indicated that he likes the Manpower proposal stating that it will bring something different to the Job Center. Concerns were expressed regarding Manpower's ability to steer individuals to their employment opportunities which could create a conflict of interest. Dr. Borremans stated that with documentation SWWDB has put together in the FutureTrac program and assessment programs in place there are more assurances that conflict of interest will not occur. Mr. Gruber suggested that a no "cherry picking" clause be inserted into the contract. Dr. Borremans added that none of their programs are on the Eligible Training Provider (ETP) list, therefore they would be unable to steer individuals to their programs at this time.

Mr. Gruber summarized the following pairing of proposals:

- AFL/CIO LETC & SWTC
- Manpower & SWTC
- AFL/CIO LETC for everything
- Manpower / SWCAP for everything

Mr. Stocker expressed an interest in securing the best services for the entire Southwest area. Dr. Borremans stated that there is not time to rebid. Job Service will be end its affiliation as program operator on July 1<sup>st</sup> and SWWDB need to have a new program operator in place at that time.

Motion by Mr. Gruber, second by Mr. Carter to accept SWTC's proposal to serve Grant, Iowa, Lafayette and Richland counties. **Motion carried unanimously.**

Motion by Mr. Gruber, second by Mr. Carter to authorize Dr. Borremans to negotiate with AFL/CIO LETC and Manpower for services to be provided in Rock and Green counties. **Motion carried unanimously.**

Dr. Borremans stated that SWWDB has approximately \$400,000 available to contract for new program operators. Mr. Scaccia stated that during the negotiation process Dr. Borremans would be able to address any issues with AFL/CIO LETC as well as to define a "cherry picking" clause.

Dr. Borremans said that another meeting will be scheduled prior to the June 9, 2010 Board meeting to finalize a recommendation regarding WIA program operators for PY 2010. Final contracts will be awarded by the Board at that time.

### **2. Discussion of Audit Firm for Fiscal Year 2009-10 Audit**

Dr. Borremans said that the contract with Wegner for annual audit services has ended. SWWDB needed to write a new RFP for audit services; however, other WDBs are in the process of preparing a new audit RFP that would take effect July 1, 2011. If SWWDB wanted to participate in that process and take advantage of possible cost savings, it needed to extend the Wegner contract for one more year.

Motion by Mr. Finley, second by Mr. Gruber to approve the audit firm of Wegner LLP CPAS and Consultants of Madison, for FY 2009-10 audit services. **Motion carried unanimously.**

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**3. Adjourn to Closed Session**

The Committee adjourned to closed session, at 5:15 p.m., pursuant to Wis. Stats. 19.85 (1)(c) for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the committee has jurisdiction or exercises responsibility, including evaluation of the executive director.

**4. Reconvene in Open Session**

The Committee reconvened in open session at 5:33 p.m. The Committee concluded that there would be no action at this time.

**5. Other Business**

None

**6. Adjournment**

Mr. Stocker adjourned the meeting at 5:35 p.m.