



THE VOICE OF WISCONSIN'S LOCAL
WORKFORCE DEVELOPMENT BOARDS

Meeting Minutes: January 7, 2009

Location: Department of Workforce Development, 201 E. Washington Ave. (GEF-1), Room D203, Madison, WI 53702.

Association members present: Jerry Hanoski, Bob Borremans, Richard Price, Sally Cutler, Cheryl Welch, Jim Golembeski, Steve Terry, Francisco Sanchez, Beth Norris, Mark Kessenich

Others present: Michelle St. Clair, WAJTE/WWDA Coordinator; Mari Kay-Nabozny, Workforce Systems Advocate; Department of Workforce Development (DWD) Representatives: Ron Danowski, Gary Denis.

Sanchez called the meeting to order at 9:30a.

WAJTE Meeting

1. Approval of Minutes

Cutler moved to approve the minutes of the December 3, 2008 WAJTE meeting; Borremans seconded. Motion carried.

2. Chair's Report

The outset of the chair's report was dedicated to providing updates on Job Centers given the current economic crisis; WAJTE Directors reported on the level of activities at Job Centers in their workforce development area. Danowski clarified that conference calls will take place every other week between DWD staff and WAJTE Directors, rather than every week as first envisioned. On alternating weeks, DWD will hold conference calls with DVR, Job Service, and OEA staff. Borremans requested to participate in the DVR conference all; Danowski commented that he would be welcome to take part in them. Golembeski then requested copies of the briefings that DWD would be providing to the Governor.

Danowski asked WAJTE Directors about the level of activity in the resource room, about caseloads and training requests. WAJTE Directors provided a report on their respective workforce development areas; all of whom reported an increase in numbers being served, some also reported waiting lines. In addition, the following comments were noted:

- WIA and Title 5 resources are being directed to workshops.
- Basic computer training is a critical demand.
- Assessment services are in demand; there is a greater need to assess aptitude and interests to make retraining recommendations.
- Costs of keeping Job Centers open and Resource Rooms staffed are being born by WIA.
- The big challenge recently has been the volume of people coming into Job Centers for UI benefits.
- There are a lot of small dislocations in the area that fall under the state's radar screen (e.g. they are not captured by WARN notices).
- "Job support workshops" are being offered.
- We're offering more soft skill training classes.

- We're having a hard time directing folks to retraining opportunities because job demand keeps changing.
- People are reporting that the JCW doesn't have the same features as the old system (e.g. email).
- We're looking at different options - holding coffee clutch workshops at the union offices (rather than job centers); we've got programs scheduled on cable access; and we're looking into new partnerships. Monster.com has expressed an interest in doing a few things with us, including providing labor market analysis with current.
- We're having huge numbers of people showing up for a few jobs - it's an employer's market, which is not good for jobseekers with multiple barriers.
- We're expecting unemployment in the retail sector to increase and we're trying to build some sector strategies.
- Requests for emergency services have doubled; requests for support services have also increased.
- We're not able to place people at the same rates, so case loads keep growing. So we're considering directing the BSU focus to job development.
- The training list that was approved in October isn't necessarily relevant anymore.
- The system needs additional capacity across the board. The state has de-emphasized one-stops in the recent past based on budget cuts; it's time to rethink that decision. Our workshops are full; our reception areas are full. Business services had brought in money through fee-for-services, but we aren't going to be able to bring in fees in the near future - which will impact Job Center revenue.
- We're in an emergency management mode. We brought in a video conferencing system and we're running full rooms at each of the six centers for video orientations, workshops, etc.
- We're getting indications that the hospitals are going to be laying off - they had been a recession proof employer.
- We're going to ramp up for small trainings. Our Job Centers are seeing a lot of people who are moving to the area because they think Dane County is a hot job market.

WAJTE Directors moved into closed session to discuss a personnel issue; upon return to an open meeting, Sanchez presented a staffing proposal from Kay-Nabozny.

Hanoski moved to approve the staff proposal at the cost indicated for Kay-Nabozny's services through June 30, 2009; Borremans seconded with the understanding that Kay-Nabozny would be present at WAJTE and WWDA meetings. Motion carried (nine in favor; one abstention).

Sanchez continued the Chair's report and told WAJTE Directors about his meeting with a representative of The Workforce Alliance (TWA). Discussion ensued regarding TWA.

3. Coordinator's Report

Follow-Up on Suggested Actions.

St. Clair reviewed the suggested actions from the last meeting as outlined in the December 3, 2008 WAJTE meeting minutes. Several of these action items were discussed in detail under WWDA/WAJTE Staff reports:

1. Welch will send out policies and forms for Fox Valley's incumbent worker training program.
2. St. Clair will continue to pursue 501c3 incorporation; WAJTE Directors will provide her with wage survey information if requested.

3. If they haven't already, WAJTE Directors will provide St. Clair with contact information for their WDA's Business Services representative. St. Clair will convene a statewide meeting of
4. The state is developing its WIA Plan; it is expected to be developed by late January and available for public comment from February 11th until March 13th. Local plan guidelines will be out in January and local plans will be due to DWD by April 30th. From April through June, performance Business Services representatives in mid-January.
5. Sanchez will invite Phil Neuenfeldt, Secretary-Treasurer of the Wisconsin State AFL-CIO, to a WAJTE meeting in January and a WWDA meeting in February to talk about the state of the economy, WRTP, and what might be done to align WIA Programs with the apprenticeship system.
6. Kay-Nabozny will send video employer testimonials that were collected for the presentation to the September special legislative committee she noted that not all wdas are represented.
7. WAJTE Directors will submit WDA articles to Kay-Nabozny by December 17th, January 19th (which will be the last one before the day at the capitol), and Feb 17. St. Clair will also work with Kay-Nabozny to ensure that workforce information articles are included in the monthly newsletter.
8. WAJTE Directors will consider copying David Bradley (NWA) on letters that go out to national legislators to keep NWA apprised of state and local efforts.
9. WAJTE Directors should recruit their delegation for the 2009 WWDA Day at the Capitol now and forward registration forms to Mari by January 5th. WDAs will be charged a fee of \$15 per person for lunch at the Day at the Capitol; St. Clair will send out invoices for the event in mid-January.
10. Kay-Nabozny will work with the WWDA Legislative Subcommittee to finalize the 2009-2010 WWDA State and Federal Legislative Platform and send it out to WAJTE Directors; WAJTE Directors will provide feedback to Kay-Nabozny.
11. WWDA Intern is performing research on UI payroll tax best practices and workforce funds across the country (28 states have a workforce fund in place) and will be developing an issue paper on the topic with WCCF. negotiations will be held.
12. DWD will be conducting an inventory of existing sector initiatives in the New Year. Boards, technical colleges, and other organizations will be surveyed. The state is working with COWS on the project.
13. Since it is now unlikely that DOA will approve refilling Nancy Bryant's position, Danowski will work with Tim Hine to make sure that local areas will continue to get the performance reports that they need.

Fiscal Report

St. Clair directed WAJTE Directors to the December 2008 budget versus actual financial report for the association.

ASSET User Group

Price provided a report on the ASSET User Group and TESSA. He commented that TESSA is functioning in the training environment of ASSET. At this point, additional programming is needed but is not a priority by the state. St. Clair commented that Best has yet to draft a letter on behalf of the association proposing that the state cover costs related to TESSA, and that letter could also request that the state prioritize programming for TESSA.

WWDA Incorporation

St. Clair provided a review of research performed to date on the status of the Wisconsin Workforce Development Association (WWDA). Records from the Wisconsin Department of Financial Institutions verify that WWDA was registered with the State of Wisconsin on June 29, 2000, but a tax exempt application was never filed with the Internal Revenue Service. WWDA's organizing documents, including its Articles of Incorporation and Bylaws, indicate that the association "was organized and shall be operated exclusively for religious, charitable, literary or educational purposes with the meaning of 501c3 of the US Internal Revenue Code..." It would also be possible for the association to incorporate as a 501c6.

Generally, an organization is required to apply for recognition of exemption (Form 1023) with the Internal Revenue Service within 27 months from the date of its formation, which suggests that WWDA's application for recognition of tax exemption should have been filed with the IRS by September 29, 2002. It is likely that WWDA would be eligible for a discretionary extension if requested; however, it would not be necessary for WWDA to file an extension request. An organization is only required to file an extension request if it wants exemption to apply back to the date of its legal formation.

St. Clair commented that a thorough review of IRS materials suggests that preparation of an application for tax exemption and a discretionary extension request is complex and complicated. She suggested that WWDA obtain legal counsel to prepare WWDA's application for tax exemption. Discussion ensued. Sanchez and St. Clair would look into the costs of hiring someone to assist in this process; information would be brought to WAJTE Directors at the February 4, 2009 meeting.

It was also noted that responsibilities accompany tax exempt designation; most notably, WWDA would have to annually file a "Return for Organizations Exempt from Income Tax" with the federal government (e.g. Form 990 or 990 EZ).

Statewide Business Services Group

St. Clair reported that a meeting of Business Services Staff from across workforce development areas in the State of Wisconsin is being organized in response to WAJTE Director directives in the fall of 2008. St. Clair will facilitate the group through a discussion about the advantages and disadvantages of forming a formal Statewide Business Services Subcommittee of WAJTE. If recommended, this group would also be asked to propose the purpose and goals of such a subcommittee. St. Clair will bring the group's recommendations to the February 4, 2009 WAJTE meeting.

Legislative Staff Report

WWDA Legislative Newsletter

Kay-Nabozny reported on the WWDA legislative newsletter. She reported on statistics and also provided WAJTE Directors with information on which legislators have opened the newsletter. She then reminded WAJTE Directors that the due date for the next newsletter is January 19th. (This will be the last newsletter before the February 12th WWDA Day at the Capitol; it is anticipated that a hard copy of this edition will be one of the materials in the packets for the event.)

Joint Legislative Reception & Federal Visits

Kay-Nabozny reported on the proposed joint legislative reception between WWDA and the Minnesota Workforce Council Association. She confirmed which WAJTE Directors were planning on attending the NAWB Conference and also confirmed their interest in making federal legislative visits as a state delegation. Discussion ensued and it was agreed that Kay-Nabozny would move

forward in organizing a joint legislative reception with Minnesota and with scheduling appointments for WWDA federal visits.

2009 Day at the Capitol Update

Kay-Nabozny provided an update on the day at the capitol event. She reminded WAJTE Directors that registrations were due on Jan 5th and that she needs final numbers so she may begin preparing folders for the event. Materials to be inserted in folders include: (a) WWDA's annual report, (b) January WWDA newsletter, (c) map of WDAs in the state, (d) the graph showing WIA funding trends, and (e) the legislative platform.

Kay-Nabozny distributed the draft state and federal legislative agendas. She commented that the state agenda may need to be revised given current events; discussion ensued. For the state agenda, there was agreement that the association should identify specific priorities, including formal recognition of workforce development boards by state legislators, establishing an incumbent worker training fund, and establishing a fund for training. Kay-Nabozny will update the 2009-2011 WWDA State Legislative Agenda accordingly.

Kay-Nabozny passed out 2009-2011 WDB assembly directory & senate directory and reminded WAJTE Directors that they must make their own appointments for the event.

Intern Progress

Kay-Nabozny reported that she continues to supervise the intern who will be finalizing an issue paper on the use of the UI fund to capitalize statewide worker training funds. She anticipates that Brost's final paper will be ready by the February 4th WWDA meeting.

Reports

Special Legislative Committee

Kessenich reported on the Special Legislative Committee. He anticipates that two pieces of legislation will emerge from the committee, including legislation focused on: (1) increasing math requirements for high school graduation, and (2) establishment of lifelong learning training accounts. In addition, an audit of workforce development is expected to happen as a result of committee recommendations. Kessenich expects that the committee will probably continue to meet.

NGA Policy Academy

Welch reported that there was no NGA Policy Academy meeting in December, but she anticipates that the group will meet soon. Welch also commented that the Wisconsin Department of Public Instruction may be contacting WAJTE Directors in the near future because they plan on surveying the boards to learn about what we are doing with youth.

Partnership updates

Welch also provided an update on GLETA. GLETA recently developed a ten state grant application with Minnesota as the fiscal agent. In the near future, WAJTE Directors will be invited to come up with a ten-state solutions strategy.

WAJTE meeting adjourned at 12:50

Summary of Suggested Actions:

1. WAJTE Directors requested copies of DWD's Job Center briefings to the Governor (unclear whether or not DWD will provide).
2. DWD will schedule conference calls with WAJTE Directors to discuss Job Center issues every other week. WAJTE Directors may also participate in DWD's conference calls with DVR, Job Service, and OEA.
3. Kay-Nabozny will work with Sanchez to finalize the Workforce Systems Advocate staffing proposal.
4. Best will draft a letter on behalf of the association proposing that the state cover costs related to TESSA, that letter should also request that the state prioritize programming for TESSA.
5. Sanchez and St. Clair will look into the costs of hiring someone to assist in preparing a tax exempt application for WWDA; cost proposals will be brought to WAJTE Directors at the February 4, 2009 meeting.
6. Per the direction of WAJTE Directors, St. Clair will convene Business Services staff from across the state and facilitate discussions about the advantages and disadvantages of forming a formal Statewide Business Services Subcommittee of WAJTE. St. Clair will bring the group's recommendations to the February 4, 2009 WAJTE meeting.
7. WAJTE Directors will give articles to Kay-Nabozny for the January WWDA legislative newsletter by January 19th
8. Kay-Nabozny will move forward with organizing a joint legislative reception with Minnesota and will also schedule appointments for WWDA federal visits.
9. WAJTE Directors will register their 2009 WWDA Day at the Capitol delegation members with Kay-Nabozny if they haven't done so already.
10. Kay-Nabozny will begin preparing 2009 WWDA Day at the Capitol folders.
11. Kay-Nabozny and Kessenich will update the 2009-11 WWDA State Legislative Agenda.
12. WAJTE Directors will schedule their delegation's appointments for February 12th WWDA Day at the Capitol.
13. Allison Brost's final product on UI research will be presented at the February 4th WWDA

DWD Meeting with WAJTE Directors

WIA TAA Coordination

DWD staff discussed how the increase in dislocations necessitates that DWD examine how to better use resources. In particular, better integration of TAA and the NEG Dislocated Worker programs will be pursued because TAA has more money for training and fewer for case management, while the opposite is true for the Dislocated Worker program. Efforts will also be made to improve timelines when program integration occurs (e.g. enrollment issues). In the near future, the state and local areas need to work together to discuss how to proceed with program integration and reformulating program information and activities (e.g. rapid response orientations) so that TAA and DW aren't viewed as separate, disconnected programs by laid off workers. The state is creating a work group to improve TAA and WIA integration; WAJTE Directors and/or representatives are welcomed to take part in this group. It is hoped that this group will be able to develop one document for educational materials that addresses both programs.

Sanchez noted that the state should address conflicting program procedures and policies such as differences in training requirements (e.g. WIA's 35% Rule would conflict with TAA training requirements).

WIA apprenticeship update

In 2006, the Department of Labor began an initiative to better integrate the WIA Program with apprenticeship. There have been some success stories across the nation. In the fall of 2008, Wisconsin took part in an "action clinic," which brought together a variety of stakeholders to develop an action plan to promote WIA program and apprenticeship alignment; this action plan was shared with WAJTE Directors. Directors were encouraged to have their Business Services staff promote apprenticeship amongst employers.

Continuity of Operations Plans

Richards passed out DWD's current Continuity of Operations Plan (COOP) for Critical Incident & Pandemic Events. Workforce Development Areas will be required to prepare a COOP Plan as part of their local plans in the upcoming year.

Secretary Gassman Updates

Secretary Gassman spoke to WAJTE Directors about the Council on Workforce Development's Executive Committee recommendations. She passed out the letter from Sullivan to Doyle and reviewed its key recommendations.

Secretary Gassman also spoke about the anticipated state budget shortfall, which is being experienced by almost every state in the nation. In Wisconsin, each agency is being asked to dig deeper in cuts. It is questionable whether or not DWD will get any GPR dollars. Gassman expects that the state budget will be introduced in February, and its content may depend on what federal economic stimulus package gets passed. It is anticipated that there will be a healthy stimulus package that focuses on infrastructure/public works, worker training, and education. The Secretary also commented that she has \$6 million in discretionary money that will be coordinated with stimulus package funding.

Secretary Gassman also spent some time talking about unemployment in the state. She commented that Department of Revenue estimates on unemployment are slightly different than DWD estimates, so both departments are going to work together on economic modeling. Regardless, unemployment claims are up dramatically; a 40% increase over the last four months. In response, DWD filled a permanent position in UI and added 83 project & LTE positions.

Gassman also wanted to clarify that the fund is solvent. As more people are tapping in to the fund, the amount is going down but everyone will get paid; if necessary, the state will borrow money from the federal government (it is a provision of the law). The UI Council is also committed to taking additional steps if necessary. Currently, the state of Wisconsin is also arguing with the federal government to extend UI benefits in the state for 13 weeks and eliminate the two tier benefit extension for UI.

Gassman commented that DWD wants to stay apprised of what's happening at Job Centers. She also provided updates on waiver requests and Wagner-Peyser.

Coop continued.

After Gassman's presentation ended, Richards continued reviewing COOP plan materials. She commented that the county and technical colleges should already have COOP plans in place and the boards focus on coordinating what exists.

Submitted by Michelle St. Clair WWDA/WAJTE Coordinator