



PLANNING COMMITTEE MEETING

Wednesday, February 15, 2012

7:30 a.m.

Merrimack Valley Workforce Investment Board
Lawrence, MA 01843

Members Present: Peter Matthews, Kevin Page, Fred Carberry, Juan Yopez, Michael Munday

Members Absent: Atty. Robert Leblanc, Joseph Bevilacqua,

Staff Present: Rafael Abislaiman, Corina Ruiz

Guests Present: Arthur Chilingirian

I. Approval of Minutes of the January 11, 2012 meeting

A quorum being present, Peter Matthews called the meeting to order at 7:35 a.m. Peter then called for a motion on the minutes of the January 11, 2012 meeting.

Motion by Michael Munday seconded by Fred Carberry to approve the minutes of the January 11, 2012 Planning Committee meeting as submitted. Motion passed.

II. High Performing WIB update/ Possible Budget Modification needed/TBD

Rafael Abislaiman said that our High Performing WIB (HPW) budget has a \$30,000 allocation for a white paper study that would help improve the youth pipeline. We hope to issue an Invitation for Bid (IFB) for a study and an evaluation plan tied to an Innovation Grant proposal. Our innovation plan is to put a Career Center annex at Lawrence High School to reinforce the idea that youth should finish high school in order to get a job. There are five other agencies applying for the same grant in Massachusetts and there will only be 30-20 awards nationwide. The US DOL Innovation Request for Proposals outlines a 20% expenditure for innovation project evaluation. It is a mandatory component of the proposal and contract. We are applying for \$6 million dollars which means that the evaluator portion could be up to \$1.2 million.

Rafael continued by saying that the \$30,000 HPW allocation for the study needs to be spent as soon as possible. We have been slow in spending the money because we weren't sure what was going to happen to WIA. Chili added that the President's budget supported workforce development and hopefully we will see something from Tierney and Murray within the next three weeks about WIA reauthorization. Rafael said the Republican's budget proposal for workforce development was first 70% for training and 30% admin and infrastructure. Now that has gone to 60/40% respectively.

Rafael finished by saying that Northern Essex Community College has signed up to partnership on the Innovation Grant proposal in writing and Jeff Riley, the receiver for Lawrence has done so verbally .

III. Update on fiscal record-keeping and tracking merger with the City of Lawrence

Rafael Abislaiman said the City of Lawrence has a new Finance Director, Mark Ianello, who is also acting Treasurer. For about five months now he has been pushing for us to come under the City's fiscal tracking software and system. We've always been part of the City system because Lawrence is our fiscal agent but we've always tracked our finances independently and have not followed the sign-off system used by City Departments. Lawrence instead received WIA money and we tracked it under a Mayor appointed Title I Administrator. Fred Carberry, currently oversees our expenditures in that role.

Mr. Ianello is uncomfortable with continuing the system that's been in place for over twenty years and insists we use the City's software and fiscal systems instead of our own. The Division of Grants Administration (DGA) is being asked to go from our current software, AMAZE, to the City's software, MUNIS. Both the Greater Lowell WIB and North Shore WIB both use MUNI. There are other WIB's that operate more independently than that as 501c3's. Those are the Hampton County, Metro North, New Bedford and Brockton WIBs. MVWIB has been given the option of going independent like those four WIBs but if we do so we lose our current retirement plan. Most of the other WIB's are more integrated into their City's budget department. On a positive note, the DGA has backup policies for all their practices versus the City of Lawrence who does not seem to have written policies in place. Having to merge seems inevitable because Mr. Ianello feels personally liable.

Fred Carberry added that the DGA has had a system in place that is certified by the state, monitored by the state and federal government and has been operating for at least twenty years. The concerns we have are: being able to move through the system expeditiously like we currently do here. We have support services for customers in training who need transportation, child care, etc. and the city only produces these payments on the 15th and 30th of the month. Whereas we make prompt payments now, in the city system there might be 2-4 week delays.

The other concern is that all grants need to be accepted by the Lawrence City Council before the city comptroller and the Mayor sign any payments. These grants are regional and may be tied up by one city. We have another MUNIS training session for Tracy Myszkowski and her staff on Friday.

Peter Matthews asked if we had a choice. Rafael said we were given the option to go independent under our 501(c)(3) and assume the liability for retiree payments. We currently make retirement co-pays of 9% to everyone's salary. According to Mr. Ianello, our actual costs are closer to 27%. In consequence our current \$200,000 dollar contribution would then be about \$600,000 in his formulation. There is no way we can do that because that payment's size is disallowed under WIA.

We can also shop around for another regional City that would take us in or workout something with the state but there is no guarantee we would succeed and in the meantime we'd be upsetting our current CEO. There may be other alternatives such as creating a system where we can expedite our fiscal paperwork within the City to almost what we have now and the other is to RFP the Career Center to have the community college take it over and save retirement plans that way. The advantage to that option is that the retirement plan is the same municipal

and state system. It should also be recognized that we're currently in an unusual situation where both the WIB and the Career Center staff are City employees.

Juan Yopez asked which college would take over. Rafael said probably Northern Essex and Fred added that it would have to be a state entity to maintain the retirement benefits. Because the career center staff is part of the State and Lawrence Retirement Board it would have to go to Northern Essex versus a private college. It may not be fair for people who have worked at the career center for 10, 20, 30 years to all of a sudden pull the rug when they have been paying into the retirement system with the expectation that they would be retiring as part of the Lawrence/State retirement system. The New Bedford WIB had their employees become part of the social security system when they converted. Fred explained that Mr. Ianello feels liable since he is the one signing checks on behalf of the City. In the past we were able to use a digital signature to sign all our checks but that is not the case in more. Maybe that will return when this situation is finalized. Our funds are regional but are awarded to the City of Lawrence.

Juan said that maybe the City would permit us to handle a certain dollar amount that would allow us to take care of certain in-house things and anything over that amount would go through the City. Juan asked if only WIA money goes to the City. Rafael explained that by law only WIA has to but that right now all our funds are going through the City. Juan asked if the change will bring layoffs. Rafael said not at this time. Fred said that they are trying to connect us to the municipal system rather than take over the functions. Rafael explained that the North Shore WIB and the Greater Lowell WIB have the same system but that North Shore seldomly needs to go to their City Council.

The committee agreed that we should continue to work with the City of Lawrence but added that we should put our concerns in writing and ask for support from the Mayor and Mr. Ianello in front of the City Council to ensure that our system continues to run smoothly.

IV. Update on the ongoing development of our U.S. DOL Innovation Grant Proposal

Rafael said he already spoke about this in agenda item II but that the plan is to better serve kids by stressing the importance of staying in school. Our effort is to reinforce a high school education as the best one for workforce development. We will still serve 30% out-of-school youth but out-of-school can be defined as kids that have either already graduated from high school or that have dropped out.

We have read that kids do much better if they have one adult involved in their education; our hope is to provide more efficient, stream-lined services to the parents of the kids in high school who are involved in their children's education. We hope to help foster greater parental participation through these sorts of incentives.

V. Other Business None.

VI. Adjourn

Having no further business Fred Carberry made a motion to adjourn the meeting seconded by Michael Munday. Motion passed and the meeting adjourned.

Respectfully submitted,

Corina Ruiz

Recorder