

ALLIANCE FOR STRATEGIC GROWTH, INC.
Executive Committee and Board Meeting
December 07, 2011
Meeting Minutes

Present: Cindy Brown, John Carl, Gail Chesterfield, Fred Davis, Rhonda Duning, Joe Evans, Mark Goldman, Tony Hart, Bob Hobbs, Tim Loyd, Milo Miller, Jr., Sonya Paul, Rick Taylor, Brad Wilson, and Dennis Wimer

Absent: Stuart Armstrong, Gary Barrett, Ron Best, Wayne Blevins, Terry Brumley, E. Roy Budd, Dorothy Douglass, Rob Jeffs, Emily Jerman-Brown, Faron Parr, Kevin Polivick, Jim Riggle, Tim Rogers, Jerry Sprouse, Vicki Tague, and Mike Toschlog

Others: Karen Bailey, Tracy Dishman, Jacob Everett, Stephanie Goodman, Tracy Hartman, Dave Koesters, Mellisa Leaming, Deani Purvis, and Barbara Street

OPEN SEATS BOARD/EXECUTIVE COMMITTEE: 3/0

Seats Board/Executive Committee: 34/10

Quorum to conduct business Board/Executive Committee: No/Yes

Required votes to conduct business: Majority

CALL TO ORDER: The meeting was called to order at 10:00 AM at the Henry County WorkOne office in New Castle by Chair Rhonda Duning and introductions were conducted. Cindy Brown was welcomed as a new Director representing Vocation Rehabilitation.

DECLARATION OF CONFLICTS OF INTEREST: Duning requested declaration of member conflicts of interest. None were declared.

CONSENT AGENDA: Duning requested discussion and consensus for approval of the consent agenda. Street explained that there is presently not a quorum to take action to approve the consent agenda officially as a full board; however a quorum is expected to be present for Executive Committee when other members arrive. At that time it would be appropriate to take action as Executive Committee to approve the consent agenda. The consent agenda includes the September 28, 2011 Meeting Minutes, the October 20, 2011 Annual Meeting Minutes, membership update (which includes the resignation of Jerry Sprouse), the Board Governance Financial Report for the quarter ending 9/30/11 and the approval of the committee minutes and actions with delegated authority.

COMMITTEE REPORTS, RECOMMENDATIONS AND ASSIGNMENTS:

Budget & Administration Committee Report: Barbara Street gave a broad overview of items that Chief Financial Officer Cathy Cross had presented to the Executive Committee on November 16, 2011 including:

- Revenue Update for PY 11 and Projected Revenue for PY 12
- Interim adjustments to the budget in revenues and expenses since the budget was approved in August, 2011
 - Increase of the actual cost of the coverage for the insurance for the corporation
 - Minor adjustment in compensation line item and in fringe benefits based on the current plan and actual cost of major medical insurance
 - Decrease in youth service provider cost due to not filing JAG Coordinator position.
 - Decrease in WorkOne Costs and savings of Directs which can be used for carry-in
- Review of current year expenses through June 30, 2012, which will affect carry-in dollars for PY12 with DWD encouraging regions to plan for reduced funding including:
 - Lease negotiations for Delaware County WorkOne facility
 - Possible additional funds from grant application with Ivy Tech

- Increased expenses to upgrade equipment to replace failing servers
- Continued operation under the current policy not limiting WIA Adult funding for occupational training, however, with the existing Adult funding budget cap.

Based upon the 11/16/11 Executive Committee concern was expressed that the budget and expenses which were reviewed represented future revenue shortfalls based upon the current budget projected status quo. The Executive Committee has requested staff to revise the budget/revenue projections to reflect required budget elements from which decisions and priorities can be determined regarding shortfalls. Discussion also recognized that simply reducing an expense does not assure that the revenues used for that expense would be available for other purposes. The final recognition by all was that much more research and projection will be required in this budget analysis process. Street reported that Cross is off on medical leave of absence and work on this project will resume upon her return.

Street explained that, as an internal control and as a condition of the Governor's approval of for the corporation to function both as the WIB and Service Provider, it is a requirement to procure monitoring within this year and issue a report to the elected officials who are financially liable and the board of directors. The Committee will be working on the development and release of a Request for Proposals (RFP). The cost for the monitoring is provided for in the current Board Governance budget.

Personnel Committee Report & Recommendations: Dave Koesters, Director of Human Resources, provided an update on the result of the procurement for the fringe benefits plan. He reviewed the results of the Employee Benefits Survey, Anthem's renewal quote representing an 11% increase, as well as other quotes. The recommendation from the Personnel Committee is to approve the quote from United Healthcare which represents a 16.9% decrease in premiums. In addition the Committee is recommending offering the traditional plan and a high deductible plan which will qualify for a Health Savings Account (HSA). The latter recommendation also includes an incentive to employees to consider the HSA by contributing 50% of the corporate savings if they enroll in the HSA to the employee's HSA which is approximately \$20 per month. This recommendation, if approved will save the corporation approximately \$6,000 in vision premiums which were attached to the Anthem Major Medical. This benefit is now available to any employee under the Section 125 Cafeteria Plan whereas previously it was limited to those who were in Major Medical. Finally this recommendation includes the implementation of a Wellness Plan with incentives at a projected cost of \$1,250. The intent will be to incent employees to complete their age appropriate wellness checks so that medical issues are identified and treated before they become medical problems.

There was Board discussion regarding the level of benefits and cost and whether it would be appropriate to alter the plan. Street expressed her concern that Open Enrollment needs to be completed now for the benefits year beginning 1/1/12 and that such a discussion must occur earlier or those interested in that discussion need to be on the Personnel Committee. After discussion Brad Wilson offered a motion to approve the recommendation as presented. John Carl seconded the motion and the motion passed unanimously. Barbara assured the Board that she would place the responsibility back on the Personnel Committee to work with the full board in gaining input prior to the procurement and recommendation for fringe benefits plan and open enrollment in the fall.

Barbara Street then distributed a request to authorize up to a \$100 Holiday Appreciation payment to each employee who was not on job performance improvement plans with smaller amounts for new employees who are currently on probationary status. Street noted that compensation increases are unlikely and she felt this would be much appreciated by staff. The cost is projected to be about \$5,100 and does not include the CEO. Joe Evans made a motion to approve. Bob Hobbs seconded the motion and the motion was approved unanimously.

Executive Committee Report & Recommendations: Street reported that the Executive Committee has reviewed the overall Board Governance Budget with Chief Financial Officer, Cathy Cross. She also shared the following recommendations from the Executive Committee, which met November 16, 2011:

Recommendations:

1. Increase the Board Governance Budget by \$12,000 and request Brad Wilson to review the actual insurance policies to assure they are not unrealistic in coverage limits and cost. Street explained that the property, liability and directors and officers insurance coverage for the corporation was under-projected by \$12,000 dollars. Brad Wilson concurred that he would review the coverage and costs and make any appropriate recommendations for change. The consensus of the Board was to approve. John Carl made a motion to move forward with this item as discussed. Brad Wilson seconded the motion and the motion was approved unanimously by the Executive Committee.
2. Approve the expenditure of \$59,532 dollars for the proactive equipment upgrade to replace the aging server system, which is out of warranty. DWD has been requested to share 48% of the cost. Dennis Wimer offered to assist with following up with the request made to DWD. The consensus of the Board was to make the expenditure regardless of state participation due to the necessity of reliability of our network and servers. Rick Taylor made a motion to move forward with this item as discussed. Joe Evans seconded the motion and the motion was approved unanimously by the Executive Committee.
3. Continue negotiations to renew Delaware County Lease – current negotiations include 5% reduction in monthly lease cost with improvements being made to the restrooms on the first floor and lower level within that cost. A letter of intent from the landlord was reviewed with the board. Street shared the quality ranking of each WorkOne office in comparison to the Delaware County WorkOne Center and more detail about cost per square footage. After discussion the consensus of the Board was to approve the letter of intent and the terms and conditions as presented. Bob Hobbsw made a motion to move forward with this item as discussed. Brad Wilson seconded the motion and the motion was approved unanimously by the Executive Committee.

Youth Council Report: None

Marketing & Communications Committee Report:

1. **Annual Meeting Summary Report:** Rhonda Duning shared the Annual Meeting Expenses/Revenue Report which included revenue received from event supporters, event expenses and logistics. The annual meeting was well attended and overall feedback was that it was a great event. Tracy Dishman reported that the press release covering the event is on the website and that a survey has been distributed to those who attended.
2. **Business Services Video:** Tracy Dishman presented the video that showcased three premier employers who use WorkOne services. The video was shown at the Annual Meeting October, 20, 2011.
3. **Release of Request for Proposals:** Dishman reported that the Request for Proposal for implementing a Marketing & Communications Strategy has been developed and will be released Friday, December 9, 2011. Proposals are due January 23, 2012. The RFP will be posted on the www.asgcorp.org website.

Workforce & Business Services/Accountability Committee Report & Recommendations:

1. **Occupations in Demand & Industry Sectors Update:** Jacob Everett presented a description and overview of the most recent Occupations in Demand & Target Industries. It is the committee's goal to update the list every six months. The recommendation of the committee is to publish the Occupations in Demand list as presented. The approval requires full board action. The consensus of those present was to approve the list as presented. To provide staff with the formal direction to move forward Rick Taylor made a motion on behalf of the Executive Committee to approve the Occupations in Demand List as presented. Joe Evans seconded the

recommendation. The motion was approved unanimously. Barbara Street will seek state guidance if this must receive full board approval.

2. **Report on Planned Business Marketing Initiatives:** Everett reported that the committee desires to increase the efforts of marketing to employers and shared the plan to begin this initiative as soon as possible. The plan includes:

- Printed Publication
- eBlast (eNewsletter)
- LinkedIn Group

These initiatives are planned to begin in January and February of 2012. A plan will be developed to measure the success of each item.

CONSENT AGENDA: At this time Duning called for a motion on the Consent Agenda since a quorum of the Executive Committee is now present. Brad Wilson made a motion to approve the Consent Agenda. Rick Taylor seconded the motion and the motion passed unanimously.

30% TRANSFER REQUEST: Barbara Street provided background on the State Policy which allows for the transfer of up to 30% between WIA Adult Funding and WIA Dislocated Worker funding with Board approval. While this is a full Board authority, Street requested that those in attendance discuss the request and the Executive Committee take action based upon that consensus. Authorize staff to request the transfer of 30% of the newly allocated discretionary dollars (\$28,472) from Dislocated Worker to Adult. Street also requested of the Board as to its pleasure to either take action each time this opportunity presents itself, or place it on the Consent Agenda. The consensus of the Board was to act on transfers separately. Based upon the consensus of the Board, Executive Committee member Rick Taylor made a motion to approve the transfer of \$28,472 from Dislocated Worker to Adult and reject approval of putting future transfer requests on the consent agenda. John Carl seconded the motion and the motion passed unanimously. Street noted that the grant will be prepared accordingly and submitted, however this may require affirmation by the full Board with a quorum present.

STAFF REPORTS/UPDATES:

Jacob Everett, Director of Research & Planning: Everett presented the quarterly metrics report for EGR 6, which is currently reporting through September, 2011. The report showed the unemployment rate rankings for each region. Everett also shared a recent expert's projected unemployment rates for 2012 and 2013, the number of new customer served in the region, the number of services that were provided, and the number of skill development enrollments. In regards to metrics, Dennis Wimer commented that the SWIC is meeting next week and he is working to make the dashboard metrics information that will be presented to the SWIC available to Barbara for the board's awareness so that the board will be better prepared to ask the right questions. He also commented that it will be good to see the comparisons across the regions.

Mellisa Leaming, Director of Operations: Leaming updated the board on current activities throughout the region including:

- Rapid Response activities – Closure of Key Plastics in Hartford City. 184 full-time, 30 part time individuals are currently receiving TAA services and currently working with WorkOne staff. State funds have been received specific to this company closure to work with the dislocated individuals.
- WorkHorse – Closure of plant located in Union City affecting 173 workers. Negotiations are continuing. Tracy Hartman, Business Services Representative, reported that the company currently has 20 workers employed. Leaming reported that no additional funds have been requested to work with the dislocated individuals from this company, as it is not known if funds will be needed.

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- Really Cool Foods – Closure of plant located in Wayne County affecting 130 full-time employees. Hartman has put together an orientation for those dislocated workers to inform them of WorkOne services. A number of employers in the food industry have also been invited to the session to engage with the dislocated workers. It is possible that Region 6 might request Rapid Response funds from DWD to assist with this dislocation.
- Patriot Paints – A smaller company located in Portland will be closing at the end of January, 2012 and will affect 19 employees. An orientation is planned for January 6, 2012.

Leaming also shared a comparison of OJT's that occurred last year (PY10) compared to those that have occurred this year (PY11). A total number of 82 OJT's have occurred since PY11 began July 1, 2011, compared to a total of 125 for the entire year last year (PY10). Also shown was that the average wage for OJT's has increased from last year. The six month follow up rate has not been completed for PY11 statistics. This should be completed by January. Leaming also shared the list of companies who participated in OJT's in PY10 and the companies who have participated in PY11. Staff are continuing to work on this. Leaming reported that the staff participated in a Staff Training Day in November, 2011, in New Castle. Team Building activities were done as well as discussions and activities about performance. Some topics of breakout sessions included:

- Ticket to Work
- Strategic Planning
- Supervisor Skill sets
- Demand Occupations/Economic Development

Barbara Street, President & CEO: Street gave an update on Workforce Development Funding that is in jeopardy at the Federal Level and distributed a source of information that has been put together by the National Association of Workforce Development Professionals (NAWDP). Some discussion about unemployment benefits extensions and tax breaks were also the topic of discussion with legislators at the federal level.

CHAIR REPORT: None

FOR THE GOOD OF THE CAUSE: Rhonda Duning shared that CR England Global is opening a truck driving school in Wayne County and asked if the WorkOne offices had received that information. Mellisa Leaming responded that the WorkOne office was aware of the new school. Duning also shared that I.U. East is hiring more faculty.

Next Meeting Date & Agenda: The next meeting is scheduled for January 25, 2012 and it is to be a full board meeting. The Offender Program should be on the agenda and Gina DelSanto to discuss ABE/GED

ADJOURNMENT: With no other business the meeting was adjourned.

Respectfully submitted,

Barbara Street
Secretary