



NEMO WORKFORCE INVESTMENT BOARD • 111 E. Monroe • Paris, Missouri 65275 • (660) 327-5127 • Fax (660) 327-5128

NEMO WORKFORCE INVESTMENT BOARD MEETING MINUTES

May 16, 2011

PRESENT:

NEMO WIB MEMBERS

Jeff Anderson
Joyce Carroll
Steve Garner
Terri Jones
Kelly Hardcastle
Steve Hines
Clarice Hill
Terry Hughes
Gordon Ipson
Penny Miles
Jo Moncrief
Diane Noah
Pat Poepping
Dan Putrah
Janice Robinson
Annette Sweet
Diane Simbro
Fred Vahle

WIB STAFF

Mark Fuqua
Brandi Glover
Sharon Hillard
Cyndi Johns
Nickie Newell
Linda Studer

CLEOs

Lyndon Bode
John Campen
Dan Colbert
Rodney Cooper
Glenn Eagan
Arden Engelage
Stanley Pickens
Ryan Poston
Roy Sission
Glenn Turner
Steven Whitaker
Wayne Wilcox
Alan Wyatt

GUESTS

Mark Bauer, DWD
Dannielle Couch, Gamm Inc.
Kim Cull, DWD
Steve Etcher, Boonslick RPC
Steve Krause, DWD
Dan Miller, Pike County Commission
Barbara Peavler, Gamm Inc.
Carla Potts, NECAC
Sheree Prebe, Gamm Inc.
Bob See, Ralls County Commission
JoAnn Toerper, Boonslick RPC
Shirley Wiseman, Gamm Inc.

MEETING CALLED TO ORDER

Chairperson Fred Vahle called the May 16, 2011 NEMO Workforce Investment Board (WIB) meeting to order at approximately 7:00 p.m. at the Paris Senior Citizens Center in Paris, Missouri.

ROLL CALL AND SIGNATURE SHEET

Jo Moncrief, NEMO Workforce Investment Board Secretary/Treasurer, took roll call. Eighteen board members were present and a quorum was established. CLEO Chairperson Glenn Turner took roll call for the CLEOs. Thirteen CLEOs were in attendance and a quorum was established.

APPROVAL OF CONSENT AGENDA

Gordon Ipson moved to approve the consent agenda. Janice Robinson seconded the motion and the motion was approved.

CLEO OFFICER NOMINATIONS

CLEO Chairperson Glenn Turner spoke about the CLEO Consortium Agreement. He said the current Consortium Agreement was approved by the full commission of each of the counties and the Governor in 2000. Now, the Division of Workforce Development (DWD) has requested some revisions to the agreement which would require the full vote of the commissions of those 16 counties. Glenn said some of his concerns were the commission's right to appoint who they wish to sit on the board and that Associate Commissioner's power to vote at the meetings, the quorum requirements for meetings, and who can serve as officers. Glenn said he had an appointment to meet with DWD Director Julie Gipson on Wednesday, May 18 to discuss these concerns. He noted other CLEO members that would accompany him, and he asked for direction on how the CLEOs wished to proceed regarding the officer nominations.

Alan Wyatt moved that the term of the CLEO officers was extended for two months. Stanley Pickens seconded the motion and the motion was approved.

MAWD CONFERENCE

Sharon Hillard presented information regarding the MAWD Conference and a special one-day session for CLEOs and WIB Members being held Wednesday, June 1, 2011 at Tan-Tar-A. Topics being covered included:

- Roles and responsibilities under the Workforce Investment Act
- Budgets – a Financial 101 on fiscal responsibilities
- Best Practices from other states and MO local perspectives

Registration for the conference and lunch for the day would be provided by the Division of Workforce Development. WIB members and CLEOs were asked to notify WIB staff by the close of the meeting if they were interest in attending.

EXECUTIVE AND PERSONNEL COMMITTEE MEETING UPDATE

Fred said Executive and Personnel Committees met by Conference call to discuss the issue of Cyndi Johns' employment. He explained that the funding for her position had been eliminated. However, when Mark had surgery, the committees met and decided that Cyndi's employment should continue until the end of April and then the issue should be revisited. That was done and we decided to keep Cyndi on until June 30, 2011 which is the end of our current program year.

NEXT YEAR'S FUNDING

A handout regarding next year's funding was provided to the WIB. Fred reviewed the PY 2011 WIA allocations. He said the Dislocated Worker program was decreased by approximately \$40,468. The Adult program was decreased by \$140,451 and the Youth program was decreased by \$77,945 for a total decrease of about \$260,000.00 from this current year's budget.

Steve Krause, from DWD, said due to the economy, decisions are being made nationally as to how much money can be taken away from programs. He advised the Board not to look at the decrease in funding as an anomaly and said this is probably where we are headed in the short term at least. Mark Bauer, from DWD, said there was a possibility of an additional national cut in funding. They were unsure it would affect WIA funding.

ONE-STOP COMMITTEE RECOMMENDATION OF NGCC RFQ

One-Stop Committee Chairperson Clarice Hill read the recommendation of the Committee. She said the WIB One-Stop Committee met on May 13, 2011 to discuss the evaluations of the proposals submitted for the RFQ for Integrated Service Delivery for Next Generation Career Center WIA Adult and Dislocated Worker Services for Program Year 2011. The four agencies who submitted proposals in response to the RFQ were Boonslick Regional Planning Commission, Gamm, Inc., MERS/Missouri Goodwill Industries, and North East Community Action Corporation. Based on those evaluations, the Committee found that Boonslick Regional Planning Commission, Gamm, Inc. and MERS/Missouri Goodwill Industries met the qualifications of the Northeast WIB. Therefore, the Committee recommends that Boonslick Regional Planning Commission, Gamm, Inc. and MERS/Missouri Goodwill Industries be advanced to the next step of the RFQ process. She said these three agencies would go on to the next step in the process and submit their budget proposals.

There was a question about this being a RFQ not a RFP. Cyndi Johns explained that the WIB made the decision to do a RFQ instead of a RFP because there was some information that they didn't have. One was funding and then there were some other major decisions the WIB wished to put off that were on tonight's agenda. Cyndi said the RFQ asked agencies to submit their qualifications for the NGCC services requested for the coming year. Four agencies responded and submitted their proposals. After reviewing those proposals the committee found that these three organizations met the qualifications the WIB needed and they decided to advance these organizations to the next step in the process. Now these organizations will be asked to submit budget information that will be evaluated. Cyndi said she didn't believe that budget information would be very lengthy. She said the date for that submission would be coming up right away (she thought the return date would be May 27). Then the committee would need to make another recommendation to the Board. Cyndi felt that would need to be done before the next scheduled board meeting.

Steve Etcher said he thought we had gotten off the track of the RFQ. From his understanding of the last conversation we were going to put out the RFQ, find the firm we thought was the most qualified to administer the programs, select them, and then we would begin the negotiation process regarding the budgets. He felt another RFP had been added into the process and that wasn't the intent.

Cyndi said she didn't believe the WIB was asking for another RFP process; they were just asking for a budget. The information that was going to be requested would be specific to the budget. After we got that budget information the committee would make a recommendation to the board.

The Board members discussed how the financial proposals would have to be submitted to allow equal evaluation of the different areas.

Fred asked if MERS was awarded the contract, if they would have enough time to have the doors opened to service people. Cyndi cautioned that the RFQ process was still open. She then noted that one of the issues the committee looked at was the capacity of the organizations to provide the services and to be operating by June 27. Cyndi said she believed the committee felt that MERS had the ability to do that. Diane Noah said the WIB had to give them an advance notice in order for them to do so. Cyndi agreed and said it was her assumption that we would be doing this quickly. They are going to ask that the budget information be back by May 27 and then the committee is going to evaluate it and provide that recommendation to Board for them to make that determination shortly thereafter.

Annette Sweet moved to accept the recommendation of the One-Stop Committee that Boonslick RPC, Gamm, Inc. and MERS/Missouri Goodwill be advanced to the next step of the RFQ process for Integrated Service Delivery for Next Generation Career Center WIA Adult and WIA Dislocated Worker Services for Program Year 2011. Diane Noah seconded the motion and the motion was approved.

Alan Wyatt moved to accept the recommendation of the One-Stop Committee that Boonslick RPC, Gamm, Inc. and MERS/Missouri Goodwill be advanced to the next step of the RFQ process for Integrated Service Delivery for Next Generation Career Center WIA Adult and WIA Dislocated Worker Services for Program Year 2011. Wayne Wilcox seconded the motion and the motion was approved with one CLEO opposed.

Terri Jones suggested that the Board vote by fax after the committee had made its recommendation. The information and ballots could be sent out by email and the members could fax them back so WIB staff would know quickly what the vote was. Terry Hughes suggested that a conference call be held so the members could get the information and then the vote would be taken afterward.

Ryan Poston asked why the Board didn't get to see the proposals tonight. Glenn Turner said because the committee had already devoted their time to evaluating the proposals so everyone wouldn't have to spend five to six hours reviewing all of them. He said they could be forwarded to him if he would like to read them.

Sheree Prebe said she thought the purpose of the RFQ was to choose who the best provider was and that a decision was going to be made. Now it seemed like we were kicking the can a little further down the road before the WIB was going to go into negotiations. She said the region

only has a certain amount of dollars and unless the WIB knows what the cost sharing amounts are going to be, it was going to be very difficult for them to provide a budget.

Kelly Hardcastle said he also felt the WIB was taking an extra step by asking the agencies to submit a budget and he thought the RFQ process was to choose the agency we wanted to use and then negotiate with that party the funds we were going to give them to do the work. Someone asked if the negotiation process for the services fell through with an agency if the WIB would offer the contract to the next agency and the answer was yes.

Fred read a portion of the April 18, 2011 meeting minutes regarding the motion to RFQ the services. There was no detail for the RFQ process in the motion. Diane Noah said she had done both RFQs and RFPs and she said they could be done either way. She said it depends on what was put in the criteria of the RFQ or RFP. Diane said at this point, we have to follow the process. Kelly Hardcastle asked what was in the RFQ. Diane Noah said they just asked for qualifications and no financial piece; now they are following up with the financial piece.

Fred said years ago when they did a RFQ for professional types of proposals, they asked for qualifications. They didn't ask for dollars. After they picked who they thought was best qualified, they talked with them to see what they would do it for. If they would do it for a reasonable cost, they went with them. They didn't submit an additional RFP. Cyndi said she didn't believe we were asking the agencies for a full proposal; only a budget.

CLEO Dan Colbert said on behalf of one of the counties that would be served by this deal, he felt we were just taking a long walk around the park. He didn't care what MERS put in front of him. He was pretty satisfied with his relationship with Boonslick RPC. He didn't feel MERS could sway him even if they offered everyone a trip to the Bahamas. So we could gather all the information we wanted and make all the recommendations we wanted his vote was for Boonslick. Ryan Poston agreed.

CLEO Glenn Turner said he felt Boonslick had the best proposal of the three but we had to go through this process and be fair to all who were in the process. Jo Moncrief agreed and said we could set ourselves in a position for a possible lawsuit if we didn't follow the process.

Fred read the following motion from the last minutes. "Steve Etcher suggested that the WIB do a RFQ instead of a RFP. He said that by doing a RFQ the cost and budgets could be negotiated later after the WIB had received its budget allocations." Steve Etcher said yes you negotiate your budget but you don't do another proposal. As one of the respondents to your previous RFQ, you are going to come back to me now and say here is how much money you have what are you going to do with it.

Steve Krause said he wasn't that familiar with the NEMO WIB's RFQ process. However, in some form or fashion, it had to involve the financial information in the decision and the decision should be based on the lowest and best. He didn't feel that the WIB could just start negotiating in the manner that Steve Etcher described where the WIB just decided who had the best qualifications. He said the WIB had to combine the financial information which was what he thought he heard Cyndi describe fairly well as their plan to do. Fred asked if the Finance Committee needed to be involved in the decision. Steve said that wasn't required.

Terry Hughes moved that the WIB hold a conference call so that the One-Stop Committee could present their recommendation to the Board and answer any questions of Board members who would like to participate and that an electronic vote be taken sometime after that call with the

vote to be completed by June 8, 2011. Joyce Carroll seconded the motion and the motion was approved.

Alan Wyatt made a motion to accept the motion of the WIB to hold a conference call so that the One-Stop Committee could present their recommendation to Board and answer any questions of Board members who would like to participate and that an electronic vote be taken sometime after the meeting to be completed by June 8, 2011. John Campen seconded the motion and the motion was approved.

NGCC RFQ DECISIONS

- **Staffing overhead percentage**

Mark passed out a staffing overhead percentage handout and Fred asked if anyone could explain it to him. Mark wrote that the Board needed to decide what percent should be allowed for overhead cost.

Steve Krause said most of the rest of the state went to this model last year for staffing contracts. All of the regions pretty much wanted to put a maximum in their proposals for their percentages. We came to the conclusion that around 10% was the number the state was comfortable with. However, several regions went with lower percentages and did in fact get bids and are operating with five or even lower percentages. Steve explained that this percentage for overhead cost was to cover the cost of administrative people in the organizations that weren't directly providing services or do not directly sit on the NGCC teams. He said the staffing is to hire people to be on one of the three teams, or if the career centers are smaller, they may not have three teams as some of our centers are. He said staff on the teams work directly with the people coming in for services; this would not be the director, accountant etc. Steve said virtually everybody has approached this by setting some sort of maximum percentage. This was a group effort from all the WIBs across the state when they were working out the details last year.

Steve Etcher asked for a definition for the overhead and commented that if the WIB only allows 5% he would not be able to afford his IT person or his greeter. Steve Krause said most of the greeter positions had gone away. They are now either on a Welcome Team or they don't exist. If they are on a team, then their salary is accounted for. If the NGCC model is being fully implemented at the career center, all of the people who are delivering services to clients would be on a team and the agency would be acquiring salaries for them. Then the people that support that group would be included in the overhead. Linda Studer said the overhead definition Steve was asking about was on the back of the handout and Casie said it was the same definition that was in the subcontractor's contracts.

Diane Noah moved to set the overhead percentage cost not to exceed 10% and this would also be used as part of the evaluation criteria of the RFQ. Gordon Ipson seconded the motion and the motion was approved.

CLEO Ryan Poston moved to set the overhead percentage cost not to exceed 10% and this would also be used as part of the evaluation criteria of the RFQ. Steven Whitaker seconded the motion and the motion was approved.

- **Check cutting process for participants/WIB or staffing agency**

Fred asked for clarification of the handout provided. Gordon Ipson said the report was indicating that by cutting checks in house the WIB could save approximately \$45,911.39. Fred said he thought that was a bogus number. He said he had seen numbers generated to produce results that somebody wanted before. After further conversation, the following motion was made:

Annette Sweet moved that the cutting of the participant checks remain with the subcontractors. Kelly Hardcastle seconded the motion.

Terri Jones asked for more clarification of the report. Fred said he wasn't sure the report contained good numbers. Gordon reviewed the data and said he didn't think Casie was indicating there would be a \$45,000 savings on just the check cutting; it was the total savings of all the items combined listed in the report. He said if the checks were cut in house, someone would have to be hired at the cost of \$40,000 for salary and fringe.

Fred said Mark told him earlier that his preference was that the check processing remains with the agencies.

A vote was taken on the motion and the motion was approved.

CLEO Arden Engelage moved that the cutting of the participant checks remain with the subcontractors. Dan Colbert seconded the motion and the motion was approved.

- **Number of Career Centers**

Fred said the Moberly and Kirksville Career Centers were located in leased facilities. Those leases expire June 30, 2011 and the state isn't planning to renew those leases on a yearly basis; only monthly.

Mark Bauer said DWD would probably like to get out of the Moberly and Kirksville facilities completely. So they met last week and DWD put out a staff notice today saying that they are looking at all operations to see where they can find reductions and cuts that will place them more in alignment with the moneys that they are receiving. So they are looking at facilities and making sure that they have facilities in locations that are the most effective. Mark said DWD cannot afford to maintain both the Kirksville and Moberly Career Centers so they are suggesting combining those two facilities at a single location in the Macon area. He said DWD is having this same discussion with each WIB region around the state. They are going to have to make some tough decisions, and some tough decisions are going to have to be made at a number of career centers when this is all said and done. Mark said they plan to leave the Warrenton and Hannibal Career Centers as they are.

Gordon said the WIB talked about closing some of its satellite offices to cut costs. So we researched transportation issues for our customers. He said if the Kirksville Career Center was closed there was no public transportation for individuals from Clark County to Hannibal or Macon and this would take individuals in this area out of the mix. Other concerns expressed were the time and the cost for individuals to drive to the other career centers. Questions were asked about living in one region and accessing services in another. Mark Bauer said that was allowable. Some centers may not allow it, but that would be based on a local decision. He said these are hard decisions, but the bottom line is that at some point we have to cut somewhere because we aren't going to be able to afford it.

Fred said Mike Gavura did mention that although DWD would like us to make a decision, for now, they would keep the Moberly and Kirksville Career Centers open on a month to month basis. Mark Bauer said that was correct. Part of that was due to the state process which was that they develop a plan of action. They will review the state as a whole, facilities and staffing, and present that to their HR department. That information will then be taken to the Office of Administration and then they will act on any determinations that they make. Mark said that

could take some time. They would like to have it done within a 12-month period. Fred said Mike also said, under the law, the WIB decides where the career centers are located and whether or not to close them. The state may not want to pay the leases on the centers but if the WIB can fund them, we can be the lease holders. However, funding for this next program year has been cut by \$250,000 and some hard decisions have to be made.

Glenn Turner cautioned that if the WIB became the lease holder of the career centers and the WIB lost its funding, the commissioners/counties would be responsible for the leases financially. He said we may want to keep the centers open for now but at some point, the WIB would have to act. He said we had no choice but to close the satellite offices.

There was discussion about getting the communities to negotiate lower rates for leases etc. Mark Bauer said the state was trying to save approximately \$6 million. He said they plan to relocate the DWD staff. The state wants to make sure that as a system we are capable of delivering what we can in the best fashion that we can. Nobody wanted to do this and they don't know exactly how it will roll out; they were just starting and this was their first meeting.

Penny Miles asked Mark to consider that the number of individuals being served in the Moberly and Kirksville Career Centers was more than those being served in the Warrenton Career Center. And another consideration was that the communities of Moberly and Kirksville were very rural when compared to Warrenton and did not have the additional resources available to them due to where they reside. She encouraged him to consider this as they work on the plan.

Mark said the state had reviewed some of the data to make the decisions. One factor they looked at was UI claimants which were the bulk of their customers. He reviewed the UI claimants for all the career centers and said that the Kirksville Career Center serves the smallest number of UI claimants.

Kelly Hardcastle questioned the numbers on the report for the number of people that were being served at the career centers. He said the report states there were only 3,300 new registrants at the Warrenton Career Center. Linda said that was since July 1 of last year. Kelly said at their regional meetings he heard numbers like 15,000 and 16,000. Kelly said he wanted to see the number that indicates how busy the career centers are; an overall count not the unique number. He felt that was a truer picture of how many people they were actually working with. Kelly asked to see both reports.

Gordon moved that for the purpose of the decision that the WIB needed to make within the next month that the four career centers remain open. Penny Miles seconded the motion and the motion was approved.

Wayne Wilcox moved that the four career centers remain open. John Campen seconded the motion and the motion was approved.

- **Number of Functional Leaders/Location**

Fred said currently we have two functional leaders for the whole region; one serves the area that Gamm covers and the other serves the area that Boonslick covers.

Jo Moncrief moved that we have a functional leader in each career center. Terri Jones seconded the motion.

Comments were made about the cost of the functional leaders and cost sharing. Mark Bauer said it would be good to have a functional leader in each career center. Steve Krause said it would be

a problem for the state to have full-time functional leaders in each career center. He said in another region of similar size the state suggested a full-time functional leader wasn't a good idea. Although this was different than their earlier idea that every career center needed to have a functional leader, they were talking about three and four person offices. Fred then reviewed the following numbers for the NGCC staff at career centers: Moberly - WIA 1, DWD 5; Kirksville - WIA -1.8, DWD 4; Hannibal - DWD 5, 2 WIA; Warrenton - DWD 3, 4 WIA.

Comments were made about the distance the function leader had to travel in the Gamm area to the three career centers and the time away from the centers.

Terri Jones suggested having a part-time functional leader that is already working at the site in each of the career centers. Fred asked if the functional leader could be part time and have another position and stay in the center. Mark Bauer said yes, and he liked the idea that the functional leader would have their eyes in the center all day long. Steve Krause said the other advantage would be that there was no lost time between the centers. He said if we could figure out a way to make it cost neutral, or something close to cost neutral, in the cost sharing he would recommend the state accept it.

The question was asked if this would be for all of the career centers or just the centers in the Gamm area. Diane Noah commented that although the number of employees is not great in any of the centers, the work load was not equal when you looked at the number of clients being served. She said Warrenton had 1 functional leader and had served 3,800 people and the other functional leader covers three offices and almost 9,000 people. The division of the workload didn't make sense. If each office had a half-time functional leader they would also have two extra hands. Gordon Ipson said it would be fair to have a half-time functional leader in each of the career centers for a total of 2.0 FTEs and our total functional leaders would not change.

Jo Moncrief moved to amend the main motion to have a half-time a functional leader in each career center in the whole region. The motion died for lack of a second.

Someone asked if Boonslick was selected as the subcontractor for the Warrenton Career Center if they would only have a half-time functional leader and the answer was yes.

Steve Etcher said the WIB was trying to micro manage his whole organization. He said he could not run the program with the NGCC model with a half-time functional leader; he needed a one and a half-time functional leader. He said if the WIB was looking at the report for participants served they were given, they should check the source; he wasn't even sure what year the report was coming from. Steve said his staff printed out a report that showed they had 7,462 new program seeker updates July 1 through May 15, 2011. Steve said they need staff and they need people to serve the customers. Linda said the data in the report she provided came directly out of the system May 15. Steve said his data also came out of the system. Terry Hughes asked Mark Bauer what his numbers said. Mark said his numbers agreed with Linda's.

Steve Etcher said the budget is complex and that was why he suggested last week to do it based on qualifications and then in a partnership mentality, let's sit around the table and say we have X number of dollars to serve the region and decide how can we best invest our money to achieve that purpose. Let those agencies figure out how many functional leaders and staff they have to have to deliver the product and we work with them in the confines of the budget. We are trying to prescribe everything. You are at the point now that you might as well take my staff over.

Jo Moncrief moved to amend the main motion to have a half-time functional leader located in each of the four career centers. Terri Jones seconded the motion to amend. A vote was taken and approved with 8 in favor and 7 opposed.

A vote was taken on the main motion to have a half-time functional leader in each of the four career centers. The motion passed with 10 in favor and 7 opposed.

CLEO Ryan Poston moved that we have half-time functional leader in each career center. Glenn Eagan seconded the motion. The motion failed with 10 opposed and 3 in favor.

After further discussion the following motion was made: Gordon Ipson moved that the staffing agencies be allowed to decide how many functional leaders they have as part of their financial proposal. Kelly Hardcastle seconded the motion and the motion was approved.

CLEO Dan Colbert moved that the staffing agencies would decide how many functional leaders they will have as a part of their financial proposal. Arden Engelage seconded the motion and the motion was approved.

- **Satellite Offices – do we keep them**

Gordon Ipson moved that the satellite offices at Macon and Labelle be closed June 30, 2011. Clarice Hill seconded the motion and the motion was approved.

CLEO Steven Whitaker moved that the satellite offices at Macon and LaBelle be closed June 30, 2011. Stanley Pickens seconded the motion and the motion was approved.

Sheree Prebe asked for clarification about whether or not LaBelle was closed for the NGCC model only. She said youth programs were provided at LaBelle as well. Fred said the funding being discussed tonight was NGCC.

Joyce Carroll commented that she recently moved from a state where the WIB made this decision. There the state made the decision and the WIB members got the announcement by email. Joyce said they had an even bigger issue because the individuals were going to have to travel a couple of hundred miles for service. In that instance that community provided a location for individuals who were unemployed to do their job search. She encouraged everyone to keep talking so we could make the best decisions for the region.

CONFIRMATION OF NEXT MEETING DATE & LOCATION

The next NEMO Workforce Investment Board meeting is scheduled for June 27, 2011 at 7:00 p.m. The location will be announced.

ADJOURN

Pat Poepping moved to adjourn the meeting. Joyce seconded the motion and the meeting adjourned at approximately 9:45 p.m.

Submitted by,

Jo Moncrief