

**GOVERNOR'S WORKFORCE BOARD RHODE ISLAND  
OCTOBER 17, 2007 BOARD MEETING  
MINUTES**

**Attendance**

**Board Members (\*denotes absent)**

|                      |                 |
|----------------------|-----------------|
| Mario Bueno          | Robert Nangle*  |
| Mia Caetano-Johnson* | George Nee*     |
| Armeather Gibbs*     | Adelita Orefice |
| Saul Kaplan          | Robert Paniccia |
| Paul MacDonald       | Lorna Ricci*    |
| Joseph MarcAurele    | Cathy Streker*  |
| William McGowan      | Martin Trueb    |
| Brandon Melton       | Jack Warner     |
| Sharon Moylan        |                 |

**Staff Present:** M. Koback, S. Schaefer, N. Olson, D. Francis, M. Mooney

**Guests:** Johan Uvin, Paul Harden, David Cedrone, Ruth Ricciarelli, Linda Katz,

**DLT Staff:** Sandra Powell, John O'Hare, Lori Norris, Gail Theriault, Esq. Kathleen Partington, David Tremblay, Laura Hart, Nick Ucci, Chris Grieco, Joyce D'Orsi, Bob Langlais

**Location:** RI Department of Labor and Training, 1511 Pontiac Avenue, Cranston, RI

With a quorum present, Chair J. MarcAurele called the meeting to order at 8:10 a.m. and welcomed everyone to the meeting.

A motion was entered to approve the September 6, 2007 Governor's Workforce Board meeting minutes.

**VOTE on motion to approve:** P. MacDonald moved to approve, seconded by J. Warner. All approved. Motion to vote passes.

**VOTE** to approve September 6, 2007 Governor's Workforce Board meeting minutes. All approved. September 6, 2007 Minutes approved.

**Chairman's Report**

Chairman MarcAurele thanked board members for their participation in the Strategic Planning meeting on October 4<sup>th</sup> at Save the Bay. He mentioned he was encouraged by the large number attending and noted that board members Bill McGowan, Sharon Moylan and Mario Bueno spent a great deal of time at the meeting. He thanked them for their efforts in this process.

He also emphasized that a major goal was to be as inclusive as possible in the strategic planning process in order to bring forward those issues of the board's constituency. Chairman MarcAurele mentioned since he has been on the board, he has found the atmosphere somewhat divisive, meaning certain agenda items that should have been directed to the board were not. Sometimes these agenda items were directed elsewhere. He encouraged board members and meeting attendees to call him directly should there be concerns they want to bring

forward that are not addressed. He indicated he is available to listen and that it is not productive to address these issues any other way.

### **Director's Report**

M. Koback reported on staff activity over the past month. On September 21<sup>st</sup>, a joint meeting of the Industry Partnerships was facilitated by Mr. Julian Alssid, Executive Director of Workforce Strategies Solutions. This meeting covered topics such as partnership development, gap analysis, and engaging employers. The feedback from the day long session was positive and it may result in further monthly meetings. The next area of focus for the Industry Partnerships will address issues relating to sustainability, engagement in the youth system and working with employers with resources such as netWORKri and education. M. Koback thanked the United Way for their partnership and willingness to fund these sessions.

M. Koback reported on his attendance at the U.S. Conference of Mayors Workforce Development Council held in September in Washington. The topics of the conference included; legislation surrounding workforce development, employer engagement, issues surrounding WIA reauthorization and the lack of progression and the proposed rescission of federal funding. M. Koback reported that legislatively, WIA reauthorization was submitted on October 4<sup>th</sup>, however there is no expectation that it will go forward due to several issues that are hindering progress. Of key importance to the conference was the presence of congressional staff and leaders in education which led to valuable discussions on educational processes as well as the No Child Left Behind legislation. Particularly interesting was the presentation by Dr. Andrew Sum of Northeastern University on the topic of teenage summer employment. His research indicated that this past summer was the worst employment scenario for young workers since WWII, particularly for young males. M. Koback has spoken with Dr. Sum about offering this presentation to the board.

M. Koback agreed with Chairman MarcAurele that the Strategic Planning meeting went well and that participants were truly engaged. A key component of this meeting involved the discussion of goals and measures and proposed strategies. Next steps will be convening a smaller group to analyze and review the information. In addition, the Corporation for a Skilled Workforce (CSW) is synthesizing the session information and will submit it for review. After this, the goal will be to review resource mapping and to conduct 3-4 focus groups with employers, stakeholders and partners to get an outline of a plan based on feedback from this effort.

### **Apprenticeships**

M. Koback reported that meetings have begun within the department to review the process of revamping the Apprenticeship system. A joint meeting of the Youth Development Committee and the Apprenticeship Council is proposed for December to discuss first steps in the redesign of the program. A facilitator may be utilized to assist with the process and to provide direction.

M. Koback reported that he and Stephen Schaefer met with Saul Kaplan and Paul Harden of the Economic Development Corporation (EDC) to discuss a mutual commitment to working together collaboratively to review data elements regarding job growth and creation. They have discussed the possibility of putting together a business service team which might include Employment Service Representatives (ESRs) from DLT, account executives from EDC, and GWB staff to discuss business retention and business expansion issues.

P. MacDonald asked M. Koback to provide further detail on the revamping of the Apprenticeship program. M. Koback deferred to Director Orefice for further discussion. Director Orefice stated that one of the weaknesses in the current apprenticeship program is compliance issues. She mentioned that one of the actions to be taken in this restructuring of the program is to ensure

that the companies who sponsor this program are universally following the rules. Another action is to expand the apprenticeship program into the high growth industries including Health Care and Advanced Manufacturing. Director Orefice reported that Chris Grieco has been given the temporary assignment of working with the department on this project. She also indicated some good news on the funding side of the Apprenticeship Programs. Historically in RI, the Apprenticeship program was funded by general revenue, which is obviously diminishing. It was discovered through the U.S. Department of Labor (USDOL) that there is an opportunity to use Workforce Investment Act funds to strengthen the Apprenticeship program. There will be follow up to determine if the department can obtain federal funds to promote and expand the Apprenticeship Program.

J. Warner asked about the report Andy Sum presented. He inquired if Dr. Sum offered any attribution as to why teenage employment is currently so low, compared to previous times. M. Koback reported that since the demise of the summer youth employment program, (which was federally funded) there has been a major decline in the opportunities that the workforce development system has been able to create. In the past, WBS and community-based organizations that received funding would create jobs for youth. Without that funding, there is not much impetus to pursue this. In addition to this, youth are competing more with older workers. Typical jobs that youth might take in the summer are being filled by older, retired workers looking for additional income. M. Koback noted he has the report available to anyone who would like to review it.

M. Koback noted that Dr. Sum was aware of the funding initiative provided for RI's summer youth program and acknowledged that RI was doing the right things. M. Koback reported there are opportunities to be brought before Congress for funding summer learning and earning opportunities and to create youth programs. However, currently there are not yet sponsors for these opportunities. M. Koback proposed that after November and January, when the data from the youth program is available, Dr Sum could evaluate our results and compare these results to other national initiatives.

### **Consent Agenda (Items 1-6)**

M. Koback reviewed the consent agenda noting it contains 6 agenda items including:

1. **WIA Consent Agenda** includes two policy issuances one pursuant to data validation procedures and the other to incentive funds for performance. Also included is the WIA Annual Report for 2006, customer satisfaction survey (not in information package), and a training plan for youth service providers.

L. Norris discussed the youth workforce flow chart indicating the need to provide 32+ vendors, as well as other members of the community, with training and support. A major goal is to be able to engage in the system and successfully achieve outcomes. The Youth Initiative has a 9 month training plan that started in October and that will be fully evaluated over the summer. This will provide information in regards to return on investment and will look at how youth service providers can provide better services. A major component is to query youth themselves as far as the impact of services they received. This will tie into an additional goal of bringing in new resources. L. Norris also reported that the Youth Confab will be held on November 15<sup>th</sup> where they will gather additional input and data from the community to report what they need to participate in this program. That information will drive the training for the remainder of the year.

2. **Workforce Expansion Grant:** Precision Craft Dental Laboratory was awarded a \$60,000 Workforce Expansion grant at the Strategic Investments Committee meeting on October 1, 2007.
3. **Industry Partnership Funding:** The Strategic Investments Committee approved 2<sup>nd</sup> year funding to 3 of 4 industry partnerships including the Hospitality Association of RI (HARI), Quality Partners of RI and Tech-Collective and are currently negotiating contracts with these 3 organizations.
4. **Workforce Expansion Grant Waiver Request:** The policy for waiver requests dictates that when a company does not meet the deliverables or the performance requirements expected in the contract, the unspent funds are recouped. M. Koback reported that Equity National had a fairly ambitious plan to hire employees and provide training; however they were caught up in the current mortgage situation. Unfortunately, they were unable to meet their goals and requested a waiver from the requirement to repay the funds. The request was discussed at length at the Strategic Investments Committee meeting and ultimately denied. The basic premise behind this denied request was that the committee did not want to set precedent for other companies that might not meet their contract goals. It was noted after an inquiry that the total amount of their grant was \$75,000. Chairman MarcAurele stated that this decision was not made lightly. He explained that the bottom line was that this company was caught in an industry trend, which in reality is part of doing business. It was also important to note that the \$30,000 was not a make or break amount to keep a company in business. M. Koback noted the concern for the 21 people who were affected by the company's downsizing and that there is an on-going effort to work with the company in this regard. It was noted after an inquiry that the company was notified of the decision on the waiver.
5. **2008 Board Meeting Schedule:** M. Koback reported that at the last Executive Committee meeting, the committee chairs were asked to forward an annual schedule of meetings. He also noted that the 2008 Board meeting schedule is in the information packets.
6. **Legislative Affairs Committee:** M. Koback reported that the Executive Committee met and approved the creation of a Legislative Affairs Committee. W. McGowan discussed the primary goal of the committee is to inform the legislature and the community about the work of the GWBRI. After considering an outreach effort currently utilized by the Office of Higher Education, W. McGowan suggested that the GWB plan a legislative day at the State House to inform the General Assembly of the work of the GWBRI. He indicated that there are several great initiatives of the GWBRI in progress which could be highlighted as part of this information day. He also suggested that in addition to providing information both to the Legislature and the RI constituency, the GWB Industry Partners could be included in this effort. W. McGowan indicated that he is open to suggestions on matters relating to this committee. Chair MarcAurele thanked W. McGowan for his guidance on the formation of this committee. He also noted that the GWB cannot operate as an island and that we owe it to our constituency to be part of the educational process. He also noted W. McGowan's background as very valuable in considering what our obligations are in informing the legislature of our agenda.

Chairman MarcAurele asked if there were any questions on the Meeting Consent Agenda items. Hearing none, Chairman MarcAurele entered a motion to approve the Consent Agenda (Items 1-6).

**VOTE on motion to approve:** J. Warner moved to approve, seconded by M. Trueb. All approved. Motion to vote passes.

**VOTE** to approve Consent Agenda (Items 1-6). All approved. Consent Agenda approved.

### **Committee Reports**

Chairman MarcAurele reported there would be no formal presentations by the committee chairs. He provided a quick overview of the current work of the Strategic Investments Committee and indicated that the processes have evolved and things are running smoothly. However, he noted that more work is needed to reassess all of the categories of funding. He also indicated any progress will be reported at the next GWB meeting. In particular, Chairman MarcAurele specified a review of the Business Retention funding category is necessary because he does not want money in that area as a placeholder without a clear plan. He explained that currently we are utilizing these funds as a type of emergency fund supporting companies with a good business plan but who are struggling with a specific part of their business. He wants to put the Board on notice that the committee will be looking carefully at the Business Retention funding category as well as the others. His suggestion is to narrow the focus and concentrate on the resources for the 3-4 initiatives for which we are seeing significant results rather than the 6-7 earmarked currently. He indicated the committee will be making these decisions over the next few months with updates to the full board. He asked for any questions regarding the funding issues.

M. Bueno requested historical information on funding and the philosophy of funding strategies over the years suggesting the Board could make a more educated vote with this information.

Chair MarcAurele agreed this might be helpful to board members. He also noted that great progress has been made with many of the initiatives such as adult education and literacy, youth programs and with EDC. He indicated these initiatives jump out as the stars and that the committee will be evaluating the other initiatives.

S. Kaplan indicated he would like to have the opportunity to interact with the Strategic Investments Committee to gain a better understanding of the current Business Retention funding process. He indicated he needs more information and historical information. His instinct is that we could be more aggressive in using the funds designated for Business Retention and that he would like to participate in this discussion.

M. Koback noted there is a great deal of research available on models for business retention. Chairman MarcAurele pointed out that as a banker it appears to him that the requests for business retention funding signify that the company is struggling to maintain their business. He suggested that the GWB, in conjunction with EDC, should find a way to inform businesses of the purpose of the business retention funding. He thought it important to clarify the difference between a viable company relocating to another state and a company with business difficulties. He does not want the GWB to support funding for companies that are suffering because they don't have a good business plan. Chairman MarcAurele stated however that he agrees with S. Kaplan on the relocation issue. S. Kaplan stated he agrees with Chairman MarcAurele that we should not be putting significant resources into companies that aren't salvageable. He also said that there are a growing number of companies EDC has worked with that need assistance. Director Orefice reported that federal money is available through Rapid Response and Dislocated Workers programs and that as the Director she is the overseer of these funds. She also suggested that working closely with the U.S. Department of Commerce, specifically Mark Troppe, would be helpful in reviewing best practices for business retention funding purposes.

## **Presentation**

Director Orefice discussed RI Employment Trends & Workforce Issues as noted in the publication provided for the meeting. She presented an overview of the current employment situation in RI, the progress made in creating good paying jobs, the condition of the labor force and unemployment levels, the expected future job growth and the effect that population trends and demographic changes may have on Rhode Island's ability to meet the new job demands. (Taken from Executive Summary of publication Rhode Island Employment Trends and Workforce Issues 2007, a publication of the Labor Market Information Unit, RIDLT)

## **Old/New Business**

M. Koback reported that the RFP for Comprehensive Workforce Training grants will be available on October 30, 2007 with a release date of January 1, 2008.

With no other business to be discussed, Chairman MarcAurele entered a motion to adjourn the meeting of the Governor's Workforce Board.

**VOTE on motion to approve:** M. Trueb moved to approve, seconded by W. McGowan  
All approved. Motion to vote passes.

**VOTE** to approve adjournment of Governor's Workforce Board meeting. All approved.  
The meeting was adjourned at 9:25 a.m.

Respectfully submitted,

Maureen F. Mooney