

**Workforce Development Council
Board Meeting Minutes
February 21, 2012**

Dimitri Mandelis called the meeting to order at 5:52 pm.

Directors Report

The national Workforce Investment Act appropriation declined from \$3.6B in FY 2000 to \$2.6B in FY2012. The Dislocated Worker portion is currently at \$1B and proposed to increase to \$1.2B in the President's FY13 which also request \$2.5B to put youth to work. In 1989, 6 of 10 out-of-school youth were employed. In 2010, percent dropped in half with only 3 of 10 out-of-school youth employed. Overall, seven million youth are out of school, not in the workforce, and not in college. The President's request is not likely to pass Congress.

A Workforce program in Connecticut was recently featured on 60 Minutes. Long-term unemployed (1-3 years) forty & fifty year olds were placed in a program paid two-month internship. Companies tried them out and if they were the right fit they kept the job. After the end of 6 months 53 out of 100 were employed. The bulk of the remaining 47 were still in the program. The same 60-minute segment reported that many job openings require applicants be employed to apply. Although national productivity is back up to pre-recession levels, we are doing it with 3-4M fewer workers. During every recession, companies develop ways to do business with fewer workers. Until new companies emerge to take up the slack the long-term unemployed will struggle to reenter the workforce.

Dimitri reported that he and Dave traveled to meet with Doc Hastings. Doc said that until the huge and growing entitlements are reined in that Workforce Investment will continue to suffer. Although he does not sit on the budget committee, Doc is in favor of Workforce Investment because it is run by business, has results, low overhead, and is not a transfer payment or subsidy.

Meeting Minutes

Mike Bolander moved and Eric Ercanbrack seconded to approve the November 18, 2011 meeting minutes as presented. Motion passed.

Okanogan Committee Report

There was no in-depth discussion with the Committee regarding the Brewster building. Last fall the Brewster building was offered to Brewster School District for its appraised value (\$160,000). The Brewster Superintendent reported to Dave that the drop out retrieval program is going well but that the building was more than what they can afford and they were hoping to get it for half that much.

When our Youth budgets were 3-4 times what they are now and no alternative schools existed, SkillSource invested some \$500,000 between 1985-1992, helping area School Districts start alternative schools. Wenatchee District received the most, about \$100,000 over that time period. The money was used for machines and materials and typically other one-time purchases. Trainers enrolled disadvantaged youth and provided career guidance and work experiences. Dave felt this was money well spent as most alternative schools are still operating. Moses Lake School District moved into a new building about 5 years ago. Westside started out in the basement of the YWCA and will be expanding into the old Eagles facility soon. Discounting the Brewster price to support the alternative program is consistent with our history. We paid \$119,000 in 2000 and owe about \$37,000. The County has it assessed at \$190,000. Dave suggested offering the building for \$100,000 including furniture and most equipment. If the District is unable to purchase this summer, Dave suggests renting at cost, approximately \$1,000 per month.

Jim Richardson moved and Karl Anderson seconded to offer the Brewster School District the Main Street Building for \$100,000. Motion passed.

Grant/Adams Committee Reports

Big Bend received an award from the Governor for their Truck Driving program and the resulting employment opportunities of graduates.

Chelan/Douglas Committee Report – no verbal report given

Executive Committee Report

The Audit was distributed. Mike Bolander, Tom Boyd, Heidi Myers, and Dimitri Mandelis met with the auditors to review both the audit report and the IRS 990 return. SkillSource received an unqualified (clean) opinion. There were no findings or audit issues.

Committee members met in private with the auditors. Heidi reported that the issues discussed were succession planning for key staff in particular the Executive and Financial Director and upgrading to a Windows based accounting system with a fixed asset module replacing the current DOS based system. The committee asked staff to provide pricing information related to accounting software. A new accounting system will ease the transition in the event of key staff turnover.

Tom Boyd moved and Eric Ercanbrack seconded approval of the Audit Report. Motion passed.

The final IRS 990 return was distributed. There were no questions or comments related to the IRS 990 return.

Bill Bonaudi moved and Tom Boyd seconded approval of the IRS 990 return. Motion passed.

State Monitoring Report

The State Monitors reviewed progress implementing the State's new One Stop System Integration Policies. Partners are working diligently to get the procedures written and in place.

The monitors commented that the Wenatchee Affiliates (Employment Security & SkillSource) do not have a formal operator agreement with the Workforce Development Council. The operator agreement is a non-financial agreement that outlines the activities the Operator will coordinate. Originally the monitors wanted the affiliates subject to coordination by one of the existing operators but staff thinks it makes no sense to have the Wenatchee Affiliates report to the Moses Lake or Omak Operator. Staff will recommend a solution by summer.

The WDC is authorized to provide oversight of One-Stop collaboration. In the future, information will be provided that shows partner referral, co-enrollment or other indicators of collaboration or integration. Marcia suggested dashboards currently being generated by Olympia as a good starting point for partnership data.

The meeting adjourned at 6:50 pm.

Members Present:

Dimitri Mandelis
Karl Allison
Mike Bolander
Bill Bonaudi
Peggy Gill
Marcia Henkle
Rich McBride
Jim Richardson
Deb Schultz
Tom Boyd
Debi Clark
Eric Ercanbrack
Shaun Koos
Heidi Myers
Keith Goehner

Members Absent:

Terry Brewer
John Butler
Barn Dronen
Oscar Garza
Roni Holder-Diefenback
Armando Lopez
Duane Johnson
Roger Thieme
Georgia Nelson
Michelle Price
Mike Wade

Staff:

Dave Petersen
Lisa Romine
Laura Leavitt
Yolanda Rios
Susan Adams.