

**Governor's Workforce Board RI  
Strategic Investments Committee Meeting  
February 8, 2010**

**Meeting Minutes**

Committee Members present: Joseph MarcAurele, Chair, William McGowan,  
Brandon Melton, Martin Trueb, George Nee  
GWB Staff present: John O'Hare, Nancy Olson, Maureen Mooney  
DLT Staff present: David Francis, Donna Treglia, David Tremblay, Jenn Buck,  
Chris Grieco  
Others Present: Paul Harden, RIEDC

**Call to Order**

Chair MarcAurele called the meeting to order at 8:10 a.m. He welcomed everyone to the meeting and provided an overview of the agenda items.

**Minutes of 1/11/10**

Chair MarcAurele asked for a review of the meeting minutes of 1/11/10 for the Governor's Workforce Board (GWB) Strategic Investments Committee. He asked for a motion to approve the meeting minutes as presented.

**VOTE:** G. Nee moved to approve. M. Trueb seconded the motion. The vote was unanimous, the motion passed.

**Funding Request: Senior Community Service Employment Program (SCSEP)**

Chair MarcAurele asked David Francis to discuss the request for funding for the Senior Community Service Employment Program. D. Francis indicated this is a training program for the adult population, age 55 and above, with income levels of less than \$13,000 who do not have work readiness skills. He noted that additional funding of \$295,844 for this program came from the Federal government in late January and that a 10% match in funds is required to accept these funds. He noted that the duration of this funding is for a one year period (FY11).

John O'Hare noted that the reason the request is before the committee is for the matching funds. He indicated the program is generally run by SER Jobs for Progress and primarily serves adults who have no work history. Without the \$30,000 matching funds provided by the GWB, the federal funds would have to be returned.

D. Francis reported that the individual can only participate in the program for a 6 month duration and then generally can transfer to unsubsidized employment. They earn minimum wage while being trained. He indicated this program is a major resource for senior adults to get into the workforce.

A motion was entered to approve the funding recommendation for the SCSEP.

**VOTE:** B. Melton moved to approve. G. Nee seconded the motion. The vote was unanimous, the motion passed.

## **Funding Changes & Reductions**

Chair MarcAurele reported there has been a reduction in the revenue projections for the Job Development Fund (JDF). He indicated that John O'Hare would be reporting on proposed changes for the reallocation and de-obligation of funds.

J. O'Hare referred to the documents contained in the meeting packet for committee member's review. He explained that the strategy recommended to address the issue of the JDF is outlined on the Funding Changes/Recommendation handout. He indicated that reductions will need to be made and referred to the spreadsheet that details projections on the reduction of funds by modifications to contracts and obligations.

J. O'Hare reported that funding changes impacting youth programs were brought before the Youth Development Committee (YDC) at a recent meeting and that a question was raised on the methodology used to reduce the JDF allocations. He indicated he will discuss the proposed methodology on the modifications that the GWB staff recommends.

### **1. De-Obligation of Uncommitted Funds**

J. O'Hare reported that the first strategy is to de-obligate funds that were approved by the board but not yet spent or contracted to organizations. He provided an example from the last board meeting when \$500,000 in funding to youth programs was de-obligated from the JDF allocations awarded to the 2 Local Workforce Investment Boards (LWIBs) in FY 09 (PY08). This funding was not obligated by the LWIBS and there was no impact in taking this action.

J. O'Hare explained the reduction in funding for the youth program for FY09 and FY10. He noted that in September there was a great deal of funding coming in from the federal government and how funding would be allocated to the LWIBs. He reported that the youth allocation was reduced from \$3M to \$2M in FY09, and since that time it has been determined that the LWIBs did not commit \$2M in Workforce Investment Act (WIA) funds last year. J. O'Hare indicated that \$700,000 of American Recovery and Reinvestment Act (ARRA) funds from last summer was not spent, noting that both the WIA and ARRA funds can be carried in and spent this year. The Temporary Assistance for Needy Families (TANF) funds can be used to fund the youth programs. J. O'Hare explained that TANF funds can be used for families with youth that earn up to \$32,000 per year and noted that the cut-off for WIA funds is \$14,000. He indicated an analysis of the youth served was done and that 75-85% would fit into the TANF fund category, concluding that the impact on the youth system should be minimal. J. O'Hare reported that after the approval from the Youth Committee and discussion with the two LWIBs, it was estimated that \$500,000 would be adequate to keep the youth centers operating. This will reduce the original FY10 youth allocation from \$2M to \$500,000.

Regarding the funds for the Industry Skills Development Initiative (ISDI) J. O'Hare reported that after discussion with the LWIBs it was decided that of the monies not obligated, \$585,000 could be de-obligated without any significant impact on the program.

J. O'Hare reported that the World of Work (WOW) Replication Project did not commit \$102,000 of the funding and that was de-obligated.

## **2. Substitution with other funds and/or design changes**

John O'Hare mentioned a design change for the Shared Youth Vision project (SYV) which could utilize a funding match from other agencies. He noted that WIA dollars cannot be used for direct services for this project. The funding provided by other agencies could be used for direct services. This strategy would de-obligate \$500,000 in JDF dollars.

J. O'Hare reported that \$600,000 in JDF funding for the Contextualized RFP was removed from the consent agenda at the January board meeting. He noted that the RFP will be supported by federal and other funds and that the reduction of JDF funds will not impact the program design. He noted that the Contextualized RFP was not merely a budget issue but also a design issue due to regulations regarding the utilization of Wagner Peyser funds. Revisions to the RFP are currently ongoing.

## **3. Proportional reductions of commitments since 07/01/09 (FY 10)**

J. O'Hare reported that the 3<sup>rd</sup> approach involves proportional reductions of commitments made since 7/1/09 (FY10). Many of these approvals have not yet been contracted. He explained that the Leveraged Grants section of the spreadsheet lists those contracts (in blue) that have not been signed. He indicated that the organizations are being notified that they should expect a 20% reduction in funding, which will reduce the GWB obligations by approximately \$400,000.

## **4. Adult Education –De-obligation of uncommitted funds**

J. O'Hare reported that the issue of de-obligation of uncommitted funds has not yet been brought before the Adult Education & Literacy Committee. He indicated he does not want to make decisions about funding without presenting it to the committee first. He reported he discussed the suggestion to de-obligate funding committed this year and possibly next year with Dr. Seitsinger at RIDE and noted the reduction in funding could be in the range of \$800,000. J. O'Hare indicated that after a discussion at the next Adult Education meeting, this item will be brought back to the Strategic Investments Committee.

A discussion followed on the budget process for the Adult Education program, specifically the carry in of funding not spent, which is added to the budget base and reviewed by the legislature in this format. J. O'Hare noted that if funding is taken away from Adult Education that it does affect programs and that he needs to address this issue with the committee. J. MarcAurele noted that the carry in money should not be part of the budget.

## **5. Proportional reductions on current contracts**

J. O'Hare reported that he is hopeful this option would not have to be undertaken, that it is a last option. He indicated that the shortfall in JDF funds should be addressed by options 1-4. He explained that contracts are written with the condition they are subject to the availability of funds. He also noted that when a funding request is approved at the Strategic Investments Committee that the requests are estimates and that other factors can affect the amount originally requested.

J. O'Hare indicated that he will come back to the Strategic Investments Committee at the March meeting with a more finalized analysis and an update on the adult education funding. He indicated he would be asking for a vote on items 1-3 from the committee today.

A motion was entered to approve the funding recommendations mentioned in items 1-3.

**VOTE:** B. Melton moved to approve. G. Nee seconded the motion.  
The vote was unanimous, the motion passed.

**Other Business**

With no further business, Chair MarcAurele asked for a motion to adjourn the meeting.

VOTE: M. Trueb moved to approve. G. Nee seconded the motion.  
The vote was unanimous, the motion passed.

The meeting adjourned at 8:35 a.m.

Respectfully submitted,

Maureen Mooney