

**GOVERNOR'S WORKFORCE BOARD-RI  
WORKFORCE EXPANSION GRANT  
REVIEW COMMITTEE MEETING**

**September 26, 2007**

**MINUTES**

Members Present: Joe Bianco, Maureen Palumbo, Jane Palmer, and Nancy Olson  
Members Absent: Sharon Petrarca  
Staff Present: Maureen Mooney  
Guest Present: Paul Harden, EDC

With a quorum present, the meeting was called to order at 9:20 a.m.

Nancy welcomed Jane Palmer to the Committee. Jane is replacing Connie Parks.

Paul Harden entered a motion to approve the August 23, 2007 minutes of the Workforce Expansion Grant Review Committee meeting.

**VOTE:** N. Olson moved to approve, seconded by M. Palumbo. All approved.

**Waiver Request from Equity National**

P. Harden presented the waiver request from Equity National Title Insurance Company which is Item C on the agenda. This company does title work in connection to mortgage refinancing. He explained that Equity National was awarded a Workforce Expansion grant in August of 2006 in the amount of \$73,718.00. At that time, the company had roughly 100 employees with plans to hire an additional 50. Due to the current economic circumstances relating to home purchases and financing, this business is suffering. As a result, they laid off employees bringing their employment staffing numbers to less than 100. Equity received one payment for period 07/01/06 – 09/30/06 for 21 employees at \$1,474.36 for a total payment of \$30,961.56. Given the conditions of the grant, they would be required to repay this amount of money since they currently have fewer employees than at the time of the award. The company is requesting a waiver of the requirement to pay the grant money back.

P. Harden provided a history of the repayment process of the Workforce Expansion grants. He explained that repayments have occurred for a variety of circumstances including closing operations in Rhode Island and relocating to other states, poor management practices, and company fraud. The situation with Equity National differs because their downsizing is market driven and not due to any action taken by the company. P. Harden endorsed the recommendation that the repayment of the grant be waived. He noted that requiring Equity National in its weak financial position to repay these grant funds expended will not assist the company in the long run. He suggested it may even put the company at further risk as Equity stated in their waiver request letter.

N. Olson explained that the recommendation made by this committee would be brought to the GWBRI Strategic Investment Committee for a vote on Monday, October 1<sup>st</sup>.

M. Palumbo inquired if this was the first grant the company received. N. Olson replied they were awarded a Workforce Improvement Training grant in July 2006 which ended in June 2007. She indicated that the company recently filed an extension for this grant and also noted a balance of \$25,000 for in-house training purposes. The grant extension ends in December 2007.

M. Palumbo asked if the laid off employees would have the opportunity to come back to work. P. Harden indicated that if the situation improved, they probably would since they have received the training. N. Olson inquired if the 21 laid off employees were working elsewhere. J. Bianco pointed out that the company did meet their training goal, and that the economic circumstances were outside of the company's control. It was noted that the original grant was \$73,718 and the remaining amount that was not expended would be de-obligated. J. Palmer inquired if other companies repayments have been waived. P. Harden indicated there have been partial waivers but it usually was due to actions taken by the company and not economic circumstances as in this case. P. Harden explained that the committee could attach any conditions deemed necessary to this waiver and reviewed some of the options.

After a lengthy discussion, the committee made the recommendation that the waiver be approved with the following conditions:

1. Company must give priority to laid off staff should hiring resume.
2. Company must provide reports every 3 months on their current employment levels as well as a status report of rehires.
3. Company will not be eligible for any Workforce Expansion grants until the employment staffing level exceeds 160 employees.
4. This is a one-time waiver.
5. Company must provide a status report on laid off employees.

### **Precision Craft Dental Laboratory Proposal**

Paul Harden presented the grant request from Precision Craft Dental Laboratory. The company is a full-service dental laboratory specializing in dental prosthetics, crowns, bridges, dentures and implants. It has a training facility and full operator for training dentists, dental assistants, hygienists and dental technicians. P. Harden provided a brief overview of this growing company with a state of the art facility.

N. Olson noted that this company applied for Comprehensive Work Force Training grants in the last two rounds and did not receive funding. She concluded they had some difficulty in the writing of their proposal. However, she indicated Precision Craft Dental Laboratory is a growing company worthy of funding and that she strongly supports this proposal.

M. Palumbo provided some insight on her experience with this company with the On the Job Training (OJT) program. She noted that more than 4 years ago this company was utilizing a much smaller facility. She also noted the positive outcome of 4 separate OJT grants. She mentioned the company's outreach to CCRI students for career placement, as well as the company's involvement in a WPGRI employer -focused committee that assists with program re-design. Additionally she noted that the pay rate is good for positions where there are no college requirements and that the pay range after 3 years is between \$18- \$25 per hour. The company also offers an excellent work environment and benefit package.

This company would hire 12 employees: 1 Crown and Bridge Prep Technician, 2 Crown and Bridge Technicians, 1 Denture Prep technician, 2 Denture Technicians, 2 Partials Technicians, 3 Ceramic Technicians and 1 Dental Office Staff.

P. Harden discussed slight budget revisions after a question was asked. He may suggest they scale back the time table for reimbursement from one year to six months. Paul will work with the company on any budget issues before the contract is executed.

With no further discussion, a motion was entered to approve the EDC staff recommendation of \$60,000 to be awarded to Precision Craft Dental Laboratory.

**VOTE:** J. Bianco moved to approve, seconded by J. Palmer. All approved.

With no other business pending, the meeting adjourned at 9:55 a.m.

Respectfully submitted,

Maureen Mooney