

**Coastal Counties Workforce Investment Area**

**CCWI Board of Directors Meeting Minutes 5-23-14  
CCWI Administrative Office**

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**Board of Directors in Attendance:** Commissioner Sallie Chandler (York County); Commissioner Charles Crosby, III (Sagadahoc County); Denise Griffin (CCWB Youth Council Chair); Commissioner Rick Parent (Knox County); Lydia Sy (CCWB Vice Chair); Bob Schmidt (CCWB Chair); Commissioner Mary Trescot (Lincoln County); Esther Clenott (Ex-officio member); Secretary/Treasurer Commissioner Betty Johnson (Waldo County)

**Board of Directors Absent:** Commissioner Jim Cloutier (Cumberland County)

**Others in Attendance:** Executive Director Michael Bourret; Arnold Chandler; Administrative Assistant Kristen Perkins

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**I. Welcome/Call to Order – Review/Revise Agenda**

CCWI Chair Charles Crosby welcomed everyone and called the meeting to order at 8:47 am. Mike Bourret requested that the order of the agenda be changed to accommodate Rick Parent having to leave the meeting early, specifically to move up the Executive Session and Governance Agreement.

**VOTED:** To change the order of the agenda to address the Executive Session and Governance Agreement prior to Rick Parent having to leave the meeting.

Motion: Sallie Chandler      Second: Betty Johnson      Vote: All in Favor

**II. Review/Approve Draft Minutes of January 17, 2014**

**VOTED:** To approve the draft minutes of January 17, 2014 as written. (A copy is included in Board members' packets today and is attached to the official minutes.)

Motion: Mary Trescot      Second: Rick Parent      Vote: All in Favor

**III. CCWI Administrative Financial Report July 1, 2013 – April 30, 2014**

The Administrative Report for July 1, 2013 – April 30, 2014 was reviewed by those in attendance. (A copy is included in Board members' packets today and is attached to the official minutes.)

CCWI Executive Director Mike Bourret reported on the following:

- Overall, expenses are just shy of 80% as of the end of April – we are pretty close to being on target with 2 months left in the fiscal year.
- Some adjustments were made after the January meeting

- There are some overages:
  - Out-of-State travel was higher because CCWI paid for Jade to attend NAWB and we have not yet received reimbursement from IMPAQ. Also, we did not have the same level of contribution on lodging as we did in the past.
  - Dues/Subscriptions/Publications is higher – we had to advertise for the two Program Manager positions and two RFPs were published in newspapers.
  - Other Services was a little higher as a result of the IT assistance we have needed. This is hard to judge when creating the budget.
  - Software/Hardware – there will be more software charges coming. Mike is purchasing Windows 7 software, Microsoft Office 2013, and some Norton Utilities products. TechSoup offers deep discounts to nonprofits so we are getting a good price. The plan is to stay with Windows 7 and avoid Windows 8, and we had to buy the software now because it's no longer available in stores.

DISCUSSION: Bob Schmidt noted that the Sum function is not working properly on the Financial Statement spreadsheet as Aggregate Budget minus Aggregate YTD Expenses is not populating correctly in the Aggregate Remaining column at the bottom of the sheet.

**VOTED:** To review and file the Administrative Financial Report for July 1, 2013 –April 30, 2014.

Motion: Betty Johnson

Second: Lydia Sy

Vote: All in Favor

**IV. CCWI Administrative 2014 Budget Review & Approval**

CCWI Executive Director Mike Bourret reported on the following:

- The PY14 budget is about \$54,000 higher than the prior year, partly due to showing full expansion of two Program Manager positions. In PY13, Chris was on payroll for a short period, Kristen was not in for the full year, Don was only in for a few months, and Jade is no longer on payroll. Salaries for PY13 were not fully reflective of 5 positions, and the PY14 budget reflects 5 full positions as of July 1, 2014.
- Replenishing the Admin line at the top of the sheet to \$10,000 from the current balance of approximately \$1900 – it is good to start the year with a contingency fund.
- Maine State Retirement is going up to 7.8% from 6.5%.
- Health insurance is going up.

DISCUSSION: Denise asked if there are other retirement and health insurance options available – are we required to participate in Maine State Retirement or are there other options? Mike advised that we could pull out of MSR but there is an investment made in the early years and it takes a few years of paying in to get to a certain rate with them. We have paid our dues and we are on the other side of that now, and it is a helpful benefit when hiring. Lydia asked when renewal is for health insurance – Mike replied December/January. Lydia asked if this new budget takes into account any increases under the ACA. Mike advised that we do not get

the new numbers until December. We looked at past increases to estimate. Charlie asked if employees pay a portion of insurance. Mike advised the agency pays for premiums up to \$1000 per employee. Mary asked who provides our insurance – Mike advised we have Anthem through Maine Municipal.

**VOTED:** To approve the proposed CCWI 2014 Budget.

Motion: Rick Parent

Second: Mary Trescot

Vote: All in Favor

Charlie Crosby recommended addressing the Governance Agreement next followed by the Executive Session, prior to Rick Parent leaving.

**V. CLEO Governance Agreement**

CCWI Executive Director Mike Bourret advised that we were monitored this year and the state said we needed to update our agreement. There is periodic turnover at the commissioner level so there have been a number of changes in membership since it was last updated in 2009. This agreement was written by the original CLEO.

One of the state's concerns was that we are not getting nominations for board membership. The way that the WIA law is written, we are supposed to go to business organizations, chambers, etc. and ask if they have anyone to recommend for the workforce board. We started out this way, but over time it was not effective so we started looking for employers on our own.

The response to MDOL was that we will update our governance agreement and we will include nomination language with a 10-day response time provision, and the agreement will be signed by current county commissioners serving on the board.

DISCUSSION: Question was raised regarding date in "Duration of Governance Agreement" on Page 3 – original establishment date (July 1, 2000) versus date signed by current CLEO (May 23, 2014). Recommendation was made to modify the wording to address any potential issues with maintaining the original establishment date in this section of the governance agreement.

**CLEO VOTED:** To approve the Governance Agreement with the revised language following today's Executive Session.

Motion: Sallie Chandler

Second: Betty Johnson

Vote: All CLEO in Favor

**VI. Executive Session**

**VOTED:** For the Board of Directors to enter into an Executive Session. Time: 9:14 am

Motion: Betty Johnson

Second: Sallie Chandler

Vote: All in Favor

Executive Director Mike Bourret, Administrative Assistant Kristen Perkins, Esther Clenott, and Arnold Chandler left the conference room at this time.

Upon conclusion of the Executive Session and return to the conference room by Executive Director Mike Bourret, Administrative Assistant Kristen Perkins, Esther Clenott, and Arnold Chandler, the following vote pertaining to the CCWI Executive Director Annual Review and salary increase took place:

**VOTED:** That, as a result of the CCWI Executive Director Review dated 5/19/2014, Mike Bourret receives the maximum 5% increase allowable by contract, effective 7/1/2014.

Motion: Bob Schmidt            Second: Sallie Chandler            Vote: All in Favor

Following the vote, the revised Governance Agreement was circulated around the room for the County Commissioners to sign and date.

Knox County Commissioner Rick Parent left the meeting following the signing of the revised Governance Agreement.

## **VII. CCWB Board Membership Update**

Mr. Bourret reported on the following:

1. Change to By-Laws Approved at Annual Business Meeting on May 15, 2014
  - The requirement to have private business representing 51% of those in attendance at the Annual Business Meeting was removed from the By-Laws language.
2. Board Membership Renewals
  - Bob Schmidt made a motion at the annual meeting to address membership renewals at today's Board of Directors meeting for those memberships which have already expired or will expire in 2014.
  - Traditionally, the Annual Business Meeting has been the time and place at which this matter has been addressed.
  - The renewals are for a 3-year extension beyond their existing membership ending date.

**CLEO VOTED:** To extend those board memberships which have already expired or will expire in 2014 for another 3-year term.

Motion: Sallie Chandler  
Second: Mary Trescot  
Abstain: Bob Schmidt, Lydia Sy, Denise Griffin  
Vote: All CLEO Commissioners in Favor

3. New Workforce Board Legislation
  - One provision discusses shrinking the size of state and local workforce boards. They kept the 51% employer and 20% labor/workforce, but that can be made up with CBOs (community-based organizations).
  - Bottom line is increased flexibility on board membership.
  - Going forward, we may not need to have as many non-business memberships as we do now.

- It is mandatory to keep representation on the board from Labor.
- WIA law has required representation on the board by the service provider.

4. Vacancies

- Ted St. Amand is no longer on the board.
- Pat Conley retired.
- Steve Wallace has left the region. Carolyn Farkas-Noe is the Interim Executive Director of SMMC.
- Mike would like to replace Pat with someone else from BIW to maintain BIW representation on the board. We will work with Pat’s secretary to find out more information regarding a replacement. We sent an email to Jim DeMartini with no response. Charlie mentioned that he knows Jim personally and offered to help with finding a replacement at BIW for Pat.
- Peter Russell is now working in the Lewiston/Auburn area, which is outside our six-county region. Peter is a very active and supportive member of the board, and we do not want to lose him. Lydia stated that Peter lives in Cumberland County. With his personal residence within our region, he can represent Cumberland County. It was suggested to retain his membership on the board as “Business at Large” rather than being tied to a particular county.

**CLEO VOTED:** To retain Peter Russell on the board as a Business at Large representative.

Motion: Sallie Chandler      Second: Mary Trescot      Vote: All CLEO in Favor

- Sallie offered to call Patsy at Southern Maine Health Care (Southern Maine Medical Center) to find a replacement for Joe Seger. Lydia also offered to check with SMHC Human Resources if needed.

5. Potential Board Members

- Mike met with Kelly Osborn, Executive Director of Workforce Services for Goodwill, about a week before the CLEO meeting. She has a Voc Rehab background, which takes the Voc Rehab responsibilities off of Heather’s plate.

**CLEO VOTED:** To approve Kelly Osborn’s membership on the CCWB board.

Motion: Sallie Chandler      Second: Betty Johnson      Vote: All CLEO in Favor

- Bob Schmidt offered to reach out to Kent Peterson from Fluid Imaging Technologies. Bob is going to send him a letter and suggest that it does not have to be him that represents Fluid Imaging Technologies – it can be another member of his staff. Bob will follow up with Kent after the letter.

## VIII. Executive Director's Report

Mr. Bourret reported on the following:

### 1. Monitoring

- We were monitored both financially and programmatically by the state of Maine.
- Financial Monitoring: There were no findings with the financial audit. We have a good system in place.
- Program Monitoring: Ginny Carroll sent us a letter outlining her findings. We sent a response back with our plan on how we would address those findings.
  - MOUs were outdated. We have had great difficulty trying to get the Department of Labor to sign our MOUs. Mike suggested getting all of the involved parties together for a meeting in Augusta to take care of updating the MOU.
- We performed WIA Program Monitoring on Goodwill and then H1-B (TOPS) monitoring. We found that documentation was missing from numerous cases, particularly the OJTs. We are looking backwards when we do monitoring, and it was made clear to the Board of Directors that this was not under Heather's supervision but under her predecessor's. The way that OJTs were being done was not the way they were supposed to be – there were a lot of reverse referrals from employers. These are ok periodically but should not comprise the majority of cases. CCWI met with Goodwill to discuss the issue and work towards resolution. USDOL is coming to monitor the TOPS grant this summer and will find that CCWI is handling the issue.

### 2. WIA Reauthorization

- The House and the Senate came together and agreed on a new workforce bill. A representative from Senator Collins' office asked Mike to review the bill. The good news is that it seems as though some of what was written to Patty Murray's office was read and corrected in the new bill. The things Mike was really concerned about seem to have been addressed.
- Local Governance: The governor designates a local area after consulting with the CLEO and the workforce board. Reasons he can withhold designation include a lack of fiscal integrity and/or a lack of performance, which have always been part of the legislation. However, the new legislation defines lack of fiscal integrity which makes it a much higher standard for the governor's office to prove than in the past. After this legislation gets passed (hopefully this summer), the commissioners can write to the governor's office and request designation for our area, and the governor has to give us a 2-year designation.
- Mike still has quite a bit of the legislation left to read but he is pleased with what he has read thus far and is optimistic.

### 3. Federal Data Validation

- Data validation is when USDOL checks all the numbers in the state. This was done recently in Maine. They found that there were cases throughout the state that were being held onto which staff were not exiting, perhaps in an effort to avoid a negative impact on their performance. Performance standards get higher every year – our region is held to higher standards out of our Boston regional office. Maine is one of the highest-performing states in our region, and New England is one of the

highest-performing regions in the country. Mike is working with Ginny to try and address USDOL's concerns over performance – if they want better quality, the standards need to be brought back down to more realistic levels.

4. Local Area Plan

- The local plan has been submitted. The SWIB is voting on it today, 5/23/14. They like our plan, and we should not have any problems with obtaining approval of our plan.

5. RFPs

- We put out RFPs for financial services and audit services. We have had no issues with our auditor, RHR Smith, and no issues with our financial services provider, Anchor Tax. It was discovered that it had been 5 years since an RFP was done for our audit; it has been even longer since the last one was done for financial services. We received several audit proposals – Denise Griffin, Mike Bourret, and Antoinette Mancusi will meet in early June to make a selection for audit services. We currently use RHR Smith for audit services and have been very happy with them. We received one proposal for financial services, and that was from Anchor Tax. Commissioner Betty Johnson will assist Mike Bourret and Antoinette Mancusi with the financial services review.

6. MDOL Incentive Award Proposal

- WIA legislation stipulates that the states are supposed to pay out incentive money when LWIBs meet their numbers, but MDOL had applied for a waiver stating that there was no money to pay out.
- When the entire state meets its numbers, MDOL can apply to USDOL for additional incentive money. Included in today's packets is a copy of Maine's most recent proposal. It's for \$800,000 but the LWIBs are not mentioned in the proposal at all. Mike Bourret spoke with Garrett Oswald about this and is satisfied that LWIBs can apply for funds.

7. MDOL Financial Manual Revisions

- Mike found several items of concern in the updated MDOL Financial Manual including:
  - LWIB's annual operating budget
  - Indirect cost rate
- Mike is planning to follow up with Ginny Carroll at MDOL.

8. SGAs (Solicitation for Grant Applications)

- These are the grant applications that the USDOL puts out. Mike's opinion is that USDOL needs to talk with locals so they know what is happening at ground level so USDOL can put out the proper types of solicitations. Currently, the SGAs are being put out with criteria that cannot be met. CCWI turned down the Job Ready H-1B grant because of the criteria – USDOL wants 85% long-term unemployed and they want them to enter into H-1B jobs. The SGA is 80 pages long and they want applications submitted by June 18<sup>th</sup>.
- Mike talked with Senator King's staff to let them know that USDOL puts out money that we can't use because the criteria are impossible to meet. The SGAs are

being written with outdated, recession-focused guidelines. The people who are unemployed now are different than those who were unemployed in 2009 and 2010.

**IX. Adjourn**

**VOTED:** To adjourn the meeting at 10:48 a.m.

Motion: Sallie Chandler      Second: Mary Trescot      Vote: All in Favor

Respectfully Submitted,

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Kristen Perkins  
Administrative Assistant

**Approved:** \_\_\_\_\_ July 25, 2014

**2014 CCWI Board of Directors' Meetings**

July 18, 2014	CCWI Conference Room, 8:45 a.m. – 10:30 a.m.
September 19, 2014	CCWI Conference Room, 8:45 a.m. – 10:30 a.m.
November 14, 2014	CCWI Conference Room, 8:45 a.m. – 10:30 a.m.

**2014 Coastal Counties Workforce Board Quarterly Meetings**

June 12, 2014	Southern NH University (Brunswick), 9:00 a.m. – 11:45 a.m.
September 11, 2014	Southern NH University (Brunswick), 9:00 a.m. – 11:45 a.m.
December 11, 2014	Southern NH University (Brunswick), 9:00 a.m. – 11:45 a.m.