



**UPWARD Talent Council
County Commissioners
May 11, 2018**

MINUTES

I. Call To Order

Board Chair Gerald Corkin calls the meeting to order at 11:36 A.M. Eastern.

II. Roll Call

Present:

Jerry Doucette, Alger County; Gail Eilola, Baraga County; Patrick Johnson, Delta County; Joe Stevens, Dickinson County; Tom Tikkanen, Houghton County; Tim Aho, Iron County; Bob DeMarois, Keweenaw County; John Waltman, Luce County; Paul Krause, Mackinac County; Gerry Corkin, Marquette County; Bernie Lang, Menominee County; Rick Bourdeau for Carl Nykanen, Ontonagon County; and Larry Mersnick, Schoolcraft County.

Excused:

Don McClean, Chippewa County; and Joe Bonovetz, Gogebic County.

Michigan Works! Staff:

William Raymond, CEO; Cherilynn Lampinen, COO; Michelle Viau, CFO; Deb Doyle, Director of Policy and Compliance; and Tracy Roberts, Office Manager.

III. Public Comment

There is no public comment.

IV. Approval of Agenda

Motion to approve agenda is made by made by Commissioner Johnson; seconded by Commissioner Eilola; the motion passed unanimously.

V. Approval of Minutes

Motion to approve the minutes of the previous meeting is made by Doucette; seconded by Commissioner Tikkanen; the motion passed unanimously.

VI. Financial Report

A. Grant Status and Overview. CEO Raymond presents the Grant Status and Overview, indicating that there is nothing out of the ordinary to note, and all grants are on track with spending for the year.



- B. Line Item Budget Report.** In speaking to next year's budget projections, UPward is set to receive \$325K over last year's budget, which puts us in good position from a funding perspective.
- C. Voucher Review Report.** Commissioner Stevens asked for more detail regarding the larger line item charge for SpringThrough, and Bill Raymond advised that this was a one-time charge for an IT blueprint to advise what we may need to fix and/or improve from a technology perspective. Once an IT Manager is hired, we expect the charges for technology services to go down significantly. Commissioner Stevens motions to accept the vouchers of \$636,343.71; the motion is seconded by Commissioner Doucette.
- D. Preliminary Budget.** CEO Raymond reviewed the proposed budget for 2019 and advised that even though we do not have all of the final allocations, a preliminary budget was put together so that they could look at and understand what it looks like for 2019 – based on 2017 actual, 2018 original, and 2018 amended, but it is contingent on other monies coming in later 2018 and 2019. All in all, the budget is similar to last year, but slightly higher. Commissioner Doucette wondered if there has been any talk of reduction in budgets, and CEO Raymond indicated that there has been nothing definitive, and feels the Workforce funds will be fine. Commissioner Johnson motions to move budget forward; seconded by Commissioner Mersnick.
- E. Audit Report.** Kathleen Ciantar from Anderson, Tackman & Company, PLC presented the audit report for 2017. Overall, there were very few adjustments to the books, so the numbers UPward is providing can be relied upon, are realistic, and reliable. The total grant funding increased by 22% from previous year, mostly due to consolidating to U.P. wide. Kathleen also stated that they did not find any material weaknesses in the accounting records. A few minor corrections with documentation in files were recommended; those few items were addressed and corrected. The motion to accept the audit and carry out recommendations was made by Commissioner Tikkanen; motion supported by Commissioner Stevens.

VII. Old Business

VIII. New Business

- A. Proposal and recommended motion to convert Chippewa, Luce, and Mackinac Counties from subcontracted services to direct service provision by UPward Talent Council.** The consolidation was discussed, with CEO Bill Raymond providing background info. Commissioner Krause asked how the consolidation would affect the Mackinac office, with regards to staffing, and asked if there would be more than 2 staff in that office. CEO Raymond and COO Cherilynn Lampinen explained that the unemployment with Mackinac is cyclical, even when accounting for the layoff season; the numbers are still comparable to other offices of same size. Having 2 FTEs there is critical, but ramping up when the need arises (when tourism season ends). It was agreed that we need to work on the unemployment rates in that area, other than just the seasonal, and CEO Raymond agreed that we should look at solutions together with Economic Development partners. Motion to consider



recommendation and approve development of plan to begin process consolidate made by Commissioner Eilola and was seconded by Commissioner Johnson.

- B. Strategic Planning update.** So far, there have been 45 potential bidders; however, we don't anticipate receiving a proposal from all 45. CEO Raymond advised that UPward will do their due diligence for procurement, keeping in mind cost and budget. One of the things that will be considered as proposals come in is the budget; once proposals begin to come in and we can see the different ranges of cost, we can identify what the budget should be.

IX. Reports:

A. Chair

Corkin thanks UPward and wants to highlight the focus they have had in the Chippewa area and surrounding counties to be able to provide better service to the community. Commissioner Waltman agreed and commented that the consolidation was long thought out, handled appropriately, and believes they have arrived at the right decision.

B. CEO

In further speaking to the consolidation, CEO Bill Raymond advises the board that they will be having an in-person meeting with CCSS employees, which will also include HR, and the Director of Administration. At the meeting, CCSS contracted staff will be informed of the consolidation. All of the staff will have opportunity to apply with UPward, and there will be no major discrepancies with pay and benefits should they decide to do so. Staff will be encouraged to speak with retirement services in Lansing to determine individual pension considerations.

Bill Raymond provided a handout and update on the Marshall plan after attending the meeting with the Governor. Although the plan is still somewhat vague, one thing he got from the meeting was that we are not necessarily limited to partnering within Region 1 and there may be beneficial opportunities to partner with some educational institutions downstate.

CEO Raymond announced to the board the need for the Career Educational Advisory Council (CEAC), which will work in conjunction with the Workforce board to address issues and come up with solutions, much like the talent consortiums in the past. The purpose of CEAC, and talent consortiums are really interchangeable. Raymond will be pursuing more input from the State on how both WDB and CEAC interact, to avoid confusion and duplication of efforts. The first CEAC meeting will be held on May 18th.

IX. Communications

Commissioner Johnson moves to support the communications presented; the motion is seconded by Commissioner Doucette and passes unanimously.

X. Public Comment. None



X. Adjournment

There being no further business, Chair Corkin adjourned meeting at 12:27 P.M. Eastern.