

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FEDERAL PROGRAMS

DATE: OCTOBER 27, 2006

COMMITTEE MEMBERS PRESENT:	OTHERS PRESENT:
Supervisors Bentley	Representing the Employment & Training Admin.:
VanNess	William Resse, Director
Mason	Sharon Sano, Senior Counselor
Geraghty	Robert Hummel, Executive Director of the
Girard	Workforce Investment Board
	Joan Parsons, Commissioner of Administrative and
	Fiscal Services
	Joan Sady, Clerk
	Matt Sokol, Town of Queensbury
	Amanda Allen, Legislative Office Specialist

Mr. Bentley called the meeting of the Federal Programs Committee to order at 9:32 a.m.

Motion was made by Mr. Girard, seconded by Mr. Mason and carried unanimously to approve the minutes of the August 28th meeting, subject to correction by the Clerk of the Board.

Mr. Bentley noted that although she was not in attendance, Candace Kelly, Director of the Office for the Aging, had forwarded a resolution request to be presented at the meeting. He said that Mrs. Kelly's request pertained to amendments to the County Budget to increase estimated revenues and appropriations in the amount of \$28,000 to reflect the receipt of LTCIEOP (Long Term Care Insurance Education & Outreach Program) revenues and \$20,000 in SPAP (State Pharmaceutical Assistance Program) revenues.

Motion was made by Mr. Geraghty, seconded by Mr. Girard and carried unanimously to amend the County Budget in the amount of \$28,000 to reflect the receipt of LTCIEOP revenues and \$20,000 in SPAP revenues and refer same to the Finance Committee. A copy of the resolution request is on file with the minutes.

Privilege of the floor was extended to William Resse, Director of the Employment & Training Administration, who distributed copies of his agenda to the Committee members, a copy of which is on file with the minutes. Mr. Resse noted that the first item of his agenda pertained to the monthly meeting scheduled for the Committee. He noted that Joan Sady, Clerk, was attempting to re-align the meeting schedules to make them more accommodating for the Committee members and he asked for their input. It was the consensus of the Committee that the meetings should continue to be scheduled for the morning of the second Friday following the monthly Board meeting, as they were currently.

Proceeding to the second item of the agenda, Mr. Resse introduced Sharon Sano, Senior Counselor, to give an overview of the Summer Youth Employment Program. Ms. Sano distributed a copy of the Summer Program Report to each of the Committee members, and a copy is on file with the minutes. She noted that more grant funds had been received for the program this year than last, allowing for more enrollments. Ms. Sano advised that the Summer Program Report included a chart detailing the number of enrollees, the towns they were from and the jobs performed. The report also included a sample of the surveys completed by the participants and copies of the certificates distributed upon completion of the program. She noted that as the chart in the Report reflected, although the number of enrollees for this season was higher than last, the number had seriously decreased from years prior.

Ms. Sano told several encouraging stories of promising youths participating in the program and displaying the traits learned, one of which described a young woman who wanted more to do than just the menial chores assigned to her. Ms. Sano explained that the youth was promised the opportunity to work at the reception desk at the front of the office with the provision that she read and learned all of the requirements of the position as described in their procedure manual. Upon fulfilling the requirement, the young lady was allowed the receptionist position for a day and the facility received an overwhelmingly positive response from its customers in her favor, Ms. Sano said. She added that after the experience, the company offered the young woman employment upon her graduation.

Mr. Girard asked what the reason for the decrease in the number of enrollees was and Ms. Sano replied that the decrease could be attributed solely to a loss of federal funding. Mr. Resse added that the funding for these youth programs had changed, and decreases had been sustained across the Country.

Mr. Resse noted that the Servsafe program noted in the Report referred to a new program which gave training and credentials for future employment. Ms. Sano advised that Operation Food Chain was part of the Servsafe program and provided meals for different summer programs. Mr. Mason noted that the Operation Food Chain program seemed to be very successful and Ms. Sano advised that it was; Mr. Resse added that the program had received awards from New York State. Another shining factor of the Operation Food Chain program, Ms. Sano apprised, was Chef Charles Jones who was a wonderful mentor to the participants under his instruction.

General discussion ensued with respect to the program.

Returning to the agenda, Mr. Resse noted that the third item listed pertained to a request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$400,567(\$374,508 in Workforce Investment funding and \$26,059 in Training funding); he noted that these were federal grant funds and would be appropriated to several different programs under the heading of the Adult Dislocated Workers program.

Mr. Resse advised that the resolution request included a listing of the titles to which the funds would be appropriated.

Motion was made by Mr. Mason, seconded by Mr. VanNess and carried unanimously to amend the County Budget in the amount of \$400,567 as per Mr. Resse's request and refer same to the Finance Committee. A copy of the resolution request and a list of the accounts to which the funds would be appropriated are on file with the minutes.

Mr. Resse advised that the fourth agenda item was a request to transfer funds within the budget. He explained that the request would transfer \$9,000 from the Summer TANF (Temporary Assistance to Needy Families Program) contract code to the Summer TANF salaries code to balance the budget.

Motion was made by Mr. Geraghty, seconded by Mr. Girard and carried unanimously to approve the transfer of \$9,000 as outlined above and refer same to the Finance Committee. A copy of the transfer request is on file with the minutes.

Mr. Resse introduced Robert Hummel, Executive Director of the Saratoga/Warren/Washington WIB (Workforce Investment Board), to give a brief presentation to the Committee. Mr. Hummel began by reminding the Committee that in prior years an effort had been made to convert the WIB to a 501(c)(3) corporation, however, sufficient opposition had been met halting the change. He said that during the past year the WIB had become aware of a number of issues that could be aided by the formation of a corporation, and the issue had resurfaced. Mr. Hummel added that the Board had received encouragement from the New York Association for Workforce Professionals to make the change. Mr. Hummel stated that his presence at the meeting was intended to suggest this change to the Committee and answer any questions they might have with respect to the matter.

Mr. Hummel distributed a packet to each of the Committee members, a copy of which is on file with the minutes, that supported the need for the change to 501(c)(3) status. The first reason for the change, he noted, was that the trend in Federal funding for the WIB had decreased significantly; Mr. Hummel added that funding for the WIB programs had decreased by 50% since 2000, while conversely the demand for the programs had increased. The second reason for the status change was flexibility in management, Mr. Hummel apprised. He noted that currently, the WIB was governed by three Counties and any fiscal or staff changes had to be approved by all three County Boards respectively, complicating the process.

The third rationale for change, Mr. Hummel stated, was the changing nature of the WIB Board. He said that two months ago he had attended a meeting during which the majority of the day was spent speaking about how the WIB, when first established, was primarily concerned with one-stop centers, the policies and procedures of those centers and finding jobs for people in need of them. Although those were still the core elements

of the WIB's mandate, Mr. Hummel stated, the WIBs across the State were moving towards developing systems to respond to the employer's inability to find qualified workers and the large 'baby boomer' generation of workers leaving the workforce while a smaller, less qualified, group entered. He added that a change in industry, requiring new skill sets, had taken place and it was nearly impossible to deal with all of the changes occurring with the limited federal funding received. Mr. Hummel advised that if the Board's status could be changed to 501(c)(3) corporation, the WIB would have the ability to draw private funding which they were unable to do currently. For example, Mr. Hummel apprised, Bill Gates of Microsoft had donated \$500,000 in private funding for programs such as those administered by the WIB, however the funding was limited to 501(c)(3) corporations. Mr. Hummel said that it was very frustrating to see the amount of private funding offered which they were unable to qualify for due to the status of the Board.

Mr. Hummel noted that the WIB members had discussed four options for the future of the Board which were:

- 1) Maintain the current structure of the WIB;
- 2) Enter into a more formal relationship with another 501(c)(3) corporation;
- 3) Establish the WIB as a 501(c)(3) corporation;
- 4) Establish a separate Workforce Foundation with WIB representation.

The first option, Mr. Hummel apprised, was not viable in light of decreasing federal funding and would continue organization efforts to deal with bureaucratic issues rather than increasing efforts for resource development and program advancement. He said that the second option would lead to an inability to grow as an organization because administrative fees would not be accessible to the WIB for growth and reinvestment. This option would also add another layer of external policies and procedures, increased administrative reporting levels and would limit the amount of time and effort needed to establish a separate organization.

Mr. Hummel stated that the third option was based on the established history of other Counties whose WIB had successfully instituted 501(c)(3) corporation status. He noted that several Counties, such as Fulton/Montgomery and Schoharie, had made the status change and were now able to accept private funding increasing their ability to provide programming. This option would allow the Saratoga/Warren/Washington WIB to accept private funding also, leading to decreased dependence on limited government funding, Mr. Hummel noted. He added that the potential for greater organizational and management flexibility, as well as program development existed with this option. Mr. Hummel advised that if chosen, this option would allow the WIB to make staff and other related changes without requesting the permission of all three Counties involved, shortening the process. Also, if staff were added, they could be funded through the 501(c)(3) corporation with no financial liability to the Counties, he added.

The fourth and final option listed, Mr. Hummel apprised, would increase access to other

funding streams, leaving less dependency on federal funding. It would also lend the potential for greater organizational and management flexibility and program development, as well as increased flexibility in Board composition, he noted. In addition, Mr. Hummel said, the fourth option would allow for the ability to develop market-driven fees for services, the ability to enter into joint ventures, contracts and other economic initiatives and had the potential to eliminate private sector WIB involvement if it was perceived as a WIA (Workforce Investment Act) only organization. Mr. Hummel stated that although this option might seem attractive it would be counterproductive because it would begin to lessen the private sector interest in the WIB, which was one of its most valuable assets. He added that a private foundation would decrease the time and commitment to the WIB Board and eventually funding could be jeopardized due to non-compliance if the private sector portion of the Board were decreased.

Mr. Hummel advised that the packet distributed included both a pros and cons comparison and an organizational chart on the development of a 501(c)(3) corporation which could be reviewed by the Committee at their convenience. He noted that one of the greatest concerns of the Counties in general was the loss of control over the funding received by the WIB. Mr. Hummel advised that this was actually not a valid issue because federal funding was strictly regulated and the Counties would always remain the fiscal agent for all WIA funding. He added that the WIB structure would remain the same, however a second division would be added to seek out and acquire private funding. Mr. Hummel noted that the new division would develop staff, marketing and training programs based on funding, and the Counties would have no financial liability in these areas.

Mr. Hummel urged the Committee to contact other Counties whose WIBs had converted to 501(c)(3) corporation status to research the results of the change. In summary, Mr. Hummel stated that if the WIB were to succeed in answering the regional needs in terms of workforce development, a new, more flexible and responsive structure needed to be realized. Mr. Hummel added that, other than added paperwork for himself, he did not see any disadvantages to making the change. He noted that the programs which had not been placed due to limited funding, would become new options for further education.

Mr. Bentley asked what the next step in making the change would be and Mr. Hummel replied that they were seeking approval from the three Counties involved initially. Mr. Hummel noted that Washington County was in opposition to the change, due to a bad experience in the past, and they had refused to speak further on the subject. He added that Saratoga County was in favor of the change and had requested a follow-up meeting to further discuss the matter. Mr. Hummel stated that if support could be received from both Saratoga and Warren Counties, the WIB could proceed in making the change to a 501(c)(3) corporation without Washington County's approval.

Mr. Resse advised that a prior private meeting had been held with respect to this issue during which Mr. W. Thomas, Joan Parsons, Commissioner of Administrative and Fiscal Services, Trish Nenninger, 2nd Assistant County Attorney, Marci Dreimiller, Chairperson

of the WIB Board, Mr. Hummel and himself were present. He noted that during the meeting Mr. W. Thomas had requested that the information be presented to the Committee and possibly referred to the County Attorney's Office for further review. Mr. Resse stated that he was in support of the change as he had been when the issue was presented several years ago. He apprised that when first addressed, the attorneys from the three Counties involved had met and there was a fear that funds would be received and funneled into a separate account over which the Counties would have no control. Mr. Resse advised that this was not a possibility and the change was perfectly legitimate.

Mr. Mason asked if a separate corporation would have to be formed for each County and Mr. Hummel replied in the negative, adding that one 501(c)(3) corporation would be formed to represent all three Counties. Mr. Mason questioned the control of the funds received, asking if they would be received directly by the corporation or by some other agreement. Mr. Hummel advised that the WIA funding structure would remain exactly the same, with Saratoga County acting as the fiscal agent, as per the existing agreement. He added that language could be added to their bylaws upon converting to a corporation to ensure that the flow of funds remained the same. Mr. Hummel noted that private funding would be distributed by the WIB, however the Counties would still have input in the distribution of funds because they had Board representation. Mr. Hummel advised that he was more than willing to meet with the attorney of each County to discuss the implications of the change and to assist in developing the proper documentation to represent all parties involved.

Mr. Champagne asked how the WIB would differ if the change were made and Mr. Hummel advised that if the 501(c)(3) were developed the Board would remain exactly the same as it was currently. He added that if the Board were changed to a private foundation the Board members would definitely change, lending no representation to the Counties.

Mr. VanNess stated that he would be willing to refer the issue to Paul Dusek, County Attorney, for further review; however, he noted, he wanted to further research the subject himself to find out what the reasoning for the prior opposition was before making any further decisions.

Mr. Geraghty asked if private funding came with attachments, such as the requirement that it be used for certain programs over others. Mr. Hummel advised that private funding foundations leaned towards certain organizations over others in terms of where their funds would be donated. He added that the funding must be sought out, depending on qualifications, and applied for, which was difficult work. Mr. Geraghty stated that he thought it made sense to make the change.

Mr. Champagne noted that private corporations were willing to donate funds to prepare workers for their industry and he also thought that it made sense to change the WIB in order to gain access to those funds.

Motion was made by Mr. VanNess, seconded by Mr. Mason and carried unanimously to refer the issue of converting the WIB to a 501(c)(3) corporation to Paul Dusek, County Attorney, for further review and investigation.

Moving forward, Mr. Resse apprised that Mr. Hummel had completed an application for a \$2 million regional USDOL (United States Department of Labor) grant, which was submitted and overseen by ACC (Adirondack Community College). He added that the grant would partner with a variety of community colleges and Economic and Workforce Development agencies to address the coming needs of the nano technology industry. Mr. Resse apprised that, as per Mr. W. Thomas' request, he was attempting to schedule a presentation for a future Committee meeting to discuss the impact of workforce training on the community.

Mr. Resse advised that the NYSDOL (New York State Department of Labor) had offered grants to businesses across the State for the training of their employees. He advised that attached to the agenda was a listing of the businesses that had applied for those grants and were awarded the funds. Mr. Hummel noted that Mr. Resse was the State designee for submission of those grants and was required to meet with each of the businesses applying to determine their eligibility prior to submitting grant applications. Mr. Hummel stated that Mr. Resse had done a wonderful job of targeting the businesses eligible for funding.

Mr. Resse advised that upon review of the Employment & Training Administration's office lease, the County Attorney's Office had suggested that Resolution No. 444 of 2006, which had approved the lease, be amended. Mr. Resse stated that the original resolution had included verbiage referencing phone costs and an annual provision for fluctuations in lease price based on energy costs; however, these issues were not included in the lease agreements and should be removed from the resolution.

Motion was made by Mr. Mason, seconded by Mr. VanNess and carried unanimously to amend Resolution No. 444 of 2006 to reflect the final terms in the lease agreement presented by the NYSDOL, eliminating references to shared phone costs and periodic rate adjustments or further changes as deemed appropriate by the County Attorney. The necessary resolution was authorized for the November Board meeting and a copy of the resolution request is on file with the minutes.

Mr. Resse apprised that the final item of his agenda pertained to a vacancy on the WIB. He noted that the position had been vacant for some time and was previously held by a member of the Regional Chamber of Commerce. Mr. Resse said that because they had been unable to fill the position with a member of the Adirondack Regional Chamber of Commerce, and it was not advisable to leave the position vacant due to the States request that all positions be occupied, he suggested Peter Aust, a resident of Warren County and CEO of the Southern Saratoga Chamber of Commerce be appointed.

Motion was made by Mr. VanNess, seconded by Mr. Girard and carried unanimously to

appoint Peter Aust, CEO of the Southern Saratoga Chamber of Commerce, to fill the vacant position on the Saratoga/Warren/Washington WIB, and the necessary resolution was authorized for the November Board meeting. A copy of the request is on file with the minutes.

Mr. Resse advised that, with respect to local integration efforts, the Employment & Training Administration staff were working with NYSDOL on a regional basis. He added that a new initiative by the State had instituted changes to the procedures used in dealing with unemployment insurance recipients, making the Employment and Training Administration a greater part of the process. Mr. Resse noted that because he had run out of time he would discuss the matter in further detail at the next Committee meeting.

As there was no further business to come before the Federal Programs Committee, on motion made by Mr. Mason and seconded by Mr. VanNess, Mr. Bentley adjourned the meeting at 10:16 a.m.

Respectfully Submitted,
Amanda Allen, Legislative Office Specialist