



**Executive Leadership and Strategic Engagement Committee
of the West Michigan Works! (WMW) Workforce Development Board (WDB)
Westside Service Center ▪ 215 Straight Ave. N.W. ▪ Grand Rapids, MI 49504**

The public may attend in-person or by remote participation via Teams

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Phone Conference ID: 454 674 182# [Find a local number](#)

Monday, March 13, 2023 ▪ 11:30 a.m. – 1:00 p.m.

AGENDA

1. Call to Order and Attendance
2. Public Comment – Agenda Items
3. Approval of the January 9, 2023 Minutes **Action Required**
4. Report on Financial Activities **Information Item**
Bob Perkins, Chief Financial Officer
 - a. ACSET Financial Report- Notes to January 2023 Board Financials
 - b. FYE 2023 Budget – First Modification
5. WDB Member Nomination **Action Required**
Jacob Maas, Chief Executive Officer
6. WDB Meeting Agenda: April 10, 2023 **Discussion Item**
Janette Monroe, Executive Assistant
7. WDB Committee/Council Updates **Information Item**
 - a. Career Educational Advisory Council (CEAC): *Tonia Castillo, Committee Chairperson*
 - b. Legislative Committee: *Jim Fisher, Committee Chairperson*
 - i. Michigan Works! Association (MWA) Legislative Day: March 15
 - c. Solutions Driven Committee: *Jordan Clark, Committee Chairperson*
8. Other Business **Information Item**
 - a. National Association of Workforce Boards (NAWB) Forum: March 25-28
 - b. National Skills Coalition Summit: May 1-3
 - c. National Association of Workforce Development Professionals (NAWDP): May 8-10
 - d. Michigan Works! Association (MWA) Impact Awards: May 10
9. Public Comment
10. Adjournment

Next Scheduled Executive Leadership and Strategic Engagement Committee Meeting:

May 8, 2023

Location: Westside Service Center

**Executive Leadership and Strategic Engagement Committee (EC)
of the West Michigan Works! (WMW) Workforce Development Board (WDB)**
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Monday, January 9, 2023 • 11:30 a.m. – 1:00 p.m.

MINUTES

Members/Alternates Present: Mark Bergsma (Chairperson), Heather Daniel (Vice-Chairperson), Tonia Castillo, Jordan Clark, Jay Dunwell, Jon Hofman, Shana Lewis (virtual), Scott McLean

Members/Alternates Absent: John Buchan, Jim Fisher

Staff Present: Jacob Maas, Angie Barksdale, Bob Perkins, Janette Monroe, Amy Lebednick, Tasha Evans, Chad Patton, Malinda Powers, Melanie White, Tawanna Wright

Guests Present:

1. Call to Order, Chairperson Mark Bergsma at 11:30 a.m.
2. Public Comment – Agenda Items – None.
3. Approval of the September 19, 2022 Minutes

Action Required

Motion – Jay Dunwell

Second – Jordan Clark

Item Approved – Motion approved

4. WDB Member Roster **Discussion Item**
Jacob Maas, Chief Executive Officer, reported that staff are looking to fill a few additional seats on the WDB, including two (2) private sector seats that staff would like to see filled by Spring 2023. Jacob also reported that staff were recently notified that Randy Boss stepped down from his seat on the board, and that staff anticipate receiving an application from the new incoming president at Grand Rapids Community College (GRCC) to fill the higher education.
5. National Association of Workforce Boards (NAWB) 2023 Forum: (March 25-28) **Information Item**
Jacob Maas stated that the NAWB Forum is scheduled to take place in-person March 25-28, 2023 in Washington, D.C.. Staff submitted a few presentation proposals and were notified that one of them was selected. EC members were asked to notify staff as soon as possible if they are interested, willing, and able to attend the forum.
6. Wagner-Peyser (WP) Proposed Rule **Discussion Item**
Jacob Maas reported that on January 5, 2023, staff were notified that the WP proposed rule decision will be issued in June 2023. Jacob shared a document received from the Office of Information and Regulatory Affairs Office with EC members. The document can be found [here](#). Discussion took place and staff answered board members' questions.

7. WDB Meeting Agenda: February 13, 2023

Discussion Item

Janette Monroe, Executive Assistant, requested agenda suggestions from the Committee for the upcoming WDB meeting. Discussion took place. Staff will provide an update on the upcoming MiCareerQuest event and begin sharing jobseeker success stories with the board.

8. WMW WDB Subcommittees Updates

a. Career Educational Advisory Council (CEAC)**Discussion Item**

Tonia Castillo, WDB Member and Council Chairperson, reported that CEAC met in September 2022. Tonia reported the CEAC discussed updates on grants, career exploration, adult education, council member activities and initiatives, and metric updates. The next CEAC meeting is scheduled for Friday, January 27, 2023.

b. Legislative Committee:**Information Item**

Janette Monroe, Executive Assistant, reported that the committee met in November and the next meeting is scheduled for January 17, 2023. Staff are working with the Michigan Works! Association (MWA) to schedule in-district visits as well as the MWA Legislative Day, which will include legislator visits in Lansing, Michigan on March 15, 2023. Jacob reported that approximately 20 legislators are new. Some discussion took place about term limits and workforce funding and staff answered board members' questions.

c. Solutions Driven Committee:**Information Item**

Jordan Clark, WDB Member and Committee Chairperson, reported that the committee is working on a 2023 meeting schedule for March, May, and September to better align with the WDB meetings. The Committee will continue to discuss initiatives and strategies outlined in the strategic plan.

9. Other Business

Discussion Item

- a. Essential Service Awards: Mark Bergsma reported that nominations are open and due January 16, 2023. Mark encouraged members to keep promoting the award.
- b. Angie Barksdale, Chief Operating Officer, reported that West Michigan Works! submitted 453 applications for Cycle 1 of Going Pro Talent Fund (GPTF), with a total request of \$29.1 million. The State is in the review process. This is the first of two cycles that will be awarded for FY 2023.

10. Public Comment- None.

11. Adjournment at 12:39 p.m. by Chairperson Mark Bergsma.

Recorded by: _____ Received by: _____

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MEMORANDUM

TO: Executive Leadership and Strategic Engagement Committee
(Executive Committee or EC)

FROM: Bob Perkins, Chief Financial Officer

DATE: March 13, 2023

RE: January 2023 Board Financials

Revenue

Revenues for the seven months ending January 31, 2023 total \$20 million which is \$638K higher than last year's revenue.

Expenditures

Operating expenses are under the proposed budget by 1.87%.

- Consumables are \$74K less than the prior year. The difference is due to having \$48K in Consumables last year in the DeVos – Talent Career Coaching Fund and zero dollars in the current year since the fund was not renewed. Last year \$17K more was spent on consumables in the One Workforce fund. The remaining difference is due to timing.
- Outside Services are down by \$361K. The following funds were fully spent last year and were not renewed for the current year: Kellogg – Hiring Model incurred \$122K in outside costs, DeVos – Talent Career Coaching had \$66K, and DeVos – Hire Reach had \$50K. The Employment Services had a net reduction of \$81K. The remainder is due to timing differences.
- Equipment purchases are down by \$160K from the prior year due to timing differences in computer purchases.
- Other expenses are up by \$104K when compared to last year. The increase is due mainly to increases in spending in the Path Funds and WIOA Funds.
- Subcontractor expenses are down by \$135K compared to the prior year. Future of Work ended in the prior with \$81K of subcontractor's expenses. The remainder is timing differences.
- Training expenses increased by \$747K over the previous year. This is due to the increase in trainings of \$491K related to the Going Pro Talent Fund (GPTF), increase of \$316K in Michigan Learning & Education Advancement Program less \$116K from the DW Neg Recovery Project (this program wasn't renewed in the current year). The remaining difference is due to timing.

- Direct Client Expenses are greater than last year by \$783K due to another year of funding of the BRES Fund money with an increase of \$144K which was not included in the budget, a new funding source of The State Apprenticeship Expansion – MEWDC with \$147K for the current year and increases in spending on supports from the Path Funds of \$512K. There was a reduction of \$126K from Community Ventures that was not renewed in the current year. The difference is due to timing.

Area Community Services Employment and Training Council
Michigan Works Agency Programs
Statement of Revenue & Expenses
For the Seven Months Ending January 31, 2023

	YTD Thru January 2023 Actual	YTD Thru January 2022 Actual	YTD 2022/2023 Budget	Budget Variance	Budget Variance %
Total Revenue	<u>\$ 19,998,375</u>	<u>\$ 18,856,749</u>	<u>\$ 19,360,513</u>	<u>\$ 637,862</u>	<u>3.29%</u>
Expenses					
Operating Expenses					
Wages	\$ 6,396,649	\$ 6,173,281	6,530,616	\$ 133,967	2.05%
Fringe Benefits	2,240,886	2,210,785	2,363,716	122,830	5.20%
Consumable supplies	586,682	660,354	594,526	7,844	1.32%
Transportation	92,200	33,884	68,825	(23,375)	-33.96%
Outside services	434,727	796,199	447,925	13,198	2.95%
Space and communications	964,027	1,030,487	1,019,514	55,487	5.44%
Equipment rent and maint	27,642	34,931	22,417	(5,225)	-23.31%
Equipment purchases	11,575	172,025	10,000	(1,575)	-15.75%
Other expense	468,510	364,606	379,230	(89,280)	-23.54%
Total operating expense	<u>11,222,898</u>	<u>11,476,552</u>	<u>11,436,769</u>	<u>213,871</u>	<u>1.87%</u>
 Subcontractors	 \$ 358,332	 \$ 493,484	 \$ 549,083	 \$ 190,751	 34.74%
 Training	 \$ 7,010,590	 \$ 6,263,597	 \$ 6,688,635	 \$ (321,955)	 -4.81%
 Direct Client Expenses	 \$ 1,406,555	 \$ 623,116	 \$ 686,026	 \$ (720,529)	 -105.03%
	<u>\$ 8,775,477</u>	<u>\$ 7,380,197</u>	<u>\$ 7,923,744</u>	<u>\$ (851,733)</u>	<u>-10.75%</u>
 Total Expenses	 <u>19,998,375</u>	 <u>18,856,749</u>	 <u>19,360,513</u>	 <u>(637,862)</u>	 <u>-3.29%</u>
 Excess of Revenue over Expense	 <u>0</u>	 <u>-</u>	 <u>-</u>	 <u>0</u>	 <u>0.00%</u>

Unaudited



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MEMORANDUM

TO: Executive Leadership and Strategic Engagement Committee
(Executive Committee or EC)

FROM: Bob Perkins, Chief Financial Officer

DATE: March 13, 2023

RE: FYE 2023 Budget – First Modification

The budget modification for the fiscal year ending June 30, 2023 was presented for and approved on February 27, 2023 by the ACSET/West Michigan Works! Governing Board.

FYE 2023 Budget Modification

The 2022-2023 budget modification increases grant income by \$7,000,000.

Subsequent to the approval of the initial budget, new funding was received for Going Pro Talent Fund (GPTF) of which \$5,700,000 is anticipated to be used in this fiscal year and as well as additional BRES funding of which \$530K is estimated to be used in this fiscal year and an additional \$270K of The State Apprenticeship Expansion (SAE) – MEWDC in this year.

Expenditures

An additional \$100K is requested for Wages. This increase is a result of the additional funding.

Consumables is estimated to increase by \$140K to cover the increased costs related to the new programs as well as underestimated the costs in the original budget.

Transportation is increased due to the increased need for Transportation services post COVID. This cost was underestimated due to the uncertainty of what would actually be needed after COVID.

Other Expenses increased by \$100K due to increased spending in the PATH and WIOA Fund.

Training costs are estimated to increase due to the GPTF as well The State Apprenticeship Expansion (SAE) Funds.

Direct client expenditures are increasing due to the increase in BRES funding, The State Apprenticeship Expansion (SAE), and the need for supports mainly in the PATH Funds.

Area Community Services Employment and Training Council

General Fund
Michigan Works! Budgetary Mod 1 Request
For the Fiscal Year Ending June 30, 2023

	Fiscal Year 2022 - 2023 Original Budget	Fiscal Year 2022 - 2023 Proposed Mod 1	Increase (Decrease)
REVENUES			
Grant Income	\$ 33,713,000	\$ 40,713,000	\$ 7,000,000
Program income	20,000	20,000	-
TOTAL REVENUE	\$ 33,733,000	\$ 40,733,000	\$ 7,000,000
EXPENDITURES			
Operating costs:			
Wages	\$ 11,300,000	\$ 11,400,000	\$ 100,000
Fringe	4,087,000	4,037,000	(50,000)
Consumables	860,000	1,000,000	140,000
Transportation	103,000	185,000	82,000
Outside Services	901,000	901,000	-
Space & Communications	1,767,000	1,767,000	-
Equipment Rent & Maintenance	55,000	55,000	-
Equipment Purchases	300,000	300,000	-
Other Expenses	456,000	556,000	100,000
Total Operating Costs	19,829,000	20,201,000	372,000
Subcontracted program costs	895,000	895,000	-
Training costs	12,036,000	17,287,000	5,251,000
Direct client expenditures	973,000	2,350,000	1,377,000
Total Expenses	\$ 33,733,000	\$ 40,733,000	\$ 7,000,000
Net Change in Fund Balance	\$ -	\$ -	\$ -

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MEMORANDUM

TO: Executive Leadership and Strategic Engagement Committee
(Executive Committee or EC)

FROM: Jacob Maas, Chief Executive Officer

DATE: March 13, 2023

RE: WMW WDB Member Nomination

Background

Since June 2022, the WDB has been awaiting selection of the new president by Grand Rapids Community College (GRCC). Dr. Charles Lepper has since been selected for the role. Staff are happy to announce they have received a board member application from Dr. Lepper to fill the vacant higher education seat on the WDB.

Action

Staff are seeking approval of nomination from the Executive Committee to support Dr. Lepper to fill the higher education seat on the WDB with terms of office through October 31, 2023. A request for formal appointment from the ACSET Governing Board will take place on April 24, 2023.

2023 State Legislative Priorities

IMPACT AREAS



Labor Force Participation



Increased Wages



Equitable Access to Resources



Skills Development

Surveys among business leaders in Michigan show long-term concerns about hiring and training, with 81 percent of businesses citing a lack of applicants with necessary **skills development** as a top challenge to business growth. Michigan's **labor force participation** rate remains at 59.9%, lower than the national average of 62.4%. Additional investments in workforce development can address these challenges, instilling confidence for Michigan business growth or relocation, while ensuring **equitable access to resources** and **increased wages** for workers.

Michigan Skills Fund



Action: The Michigan Works! Association advocates for **\$100 million** over three years for the Michigan Skills Fund to support short-term training opportunities and credentials for high-demand occupations.

Overview: The Michigan Skills Fund covers the cost of training for individuals to earn industry-recognized credentials/certificates in high-demand fields. The inclusion of this program will allow businesses, education providers, and Michigan Works! agencies to partner to provide short-term training and upskilling opportunities to over 20,000 Michiganders in high-demand occupations, while focusing on immediate labor market needs not currently addressed by existing programs.

Outcome: Increased Wages, Labor Force Participation, Equitable Access to Resources, Skills Development

Youth Work Experience



Action: The Michigan Works! Association advocates for **\$80 million** over three years to support year-round youth work experience initiatives.

Overview: This would cover the cost of wages for youth participating in a work experience program. Michigan's young workers remain largely disengaged from the workforce, particularly when compared to historical pre-pandemic trends. Increased investment in youth work experience would provide year-round, high-quality employment opportunities to students, exposing them to new career pathways in high-demand fields, increasing the likelihood that these individuals will have sustainable employment in adulthood.

Outcome: Labor Force Participation, Skills Development

Michigan Works! Infrastructure Funding



Action: The Michigan Works! Association advocates for **\$30 million** in one-time investment for digital and physical infrastructure improvements across the Michigan Works! network.

Overview: Using one-time dollars for enhancing physical and digital infrastructure improvements across the Michigan Works! network will help the state better prepare for tomorrow's challenges. Investing in infrastructure enhancements will maximize the ability of Michigan Works! Agencies to serve customers more effectively, extending the reach of workforce services to a broader range of businesses and job seekers, especially in lower-income areas.

Outcome: Equitable Access to Resources, Labor Force Participation



Going PRO Talent Fund

Action: The Michigan Works! Association advocates to increase funding to **\$100 million** per year to meet the growing demand for this program.

Overview: The Going PRO Talent Fund provides grants to employers to assist with training, developing and retaining current and newly hired employees. Since 2014, more than 6,000 businesses have received grants and 170,000 workers have been trained, resulting in an average nine percent increase in post-training wages. Each year, demand for the program outpaces available funding. During the first funding cycle in FY23, more than \$77M in training grants were requested by businesses across the state, 40% higher than available funding. The lack of available funds results in a loss of potential training, hiring, and increased earning opportunities for Michigan workers.

Outcome: Increased Wages, Labor Force Participation, Equitable Access to Resources, Skills Development



Barrier Removal Employment Supports (BRES) Program

Action: The Michigan Works! Association advocates for sustainable, long-term funding to maintain the existing BRES policy to remove barriers and promote workforce equity.

Overview: For the past few years, the Michigan Works! system has administered Barrier Removal Employment Supports (BRES) program funding to provide real-time wraparound services to job seekers who may face complex barriers to sustainable employment. Through this flexible program, Michigan Works! Agencies have provided connections to reliable transportation, housing, child care, food access, and books and training materials for Michigan Reconnect students, immigrants and refugees, low-income earners, and justice-involved individuals. Maintaining the existing BRES policy will ensure barrier removal resources are maintained for a wide range of job seekers who require customized assistance.

Outcome: Increased Wages, Labor Force Participation, Equitable Access to Resources, Skills Development



Youth Career Awareness & Exploration

Action: The Michigan Works! Association advocates for dedicated funding to support regional youth career exploration events.

Overview: Career exploration is an important tool in helping students achieve educational and career success, while helping businesses begin to develop a long-term talent pipeline. Michigan Works! Agencies have worked closely with local business and K-12 leaders to support career exploration events such as MiCareerQuest and other hands-on activities with significant involvement from local employers in high-demand occupations and industries. Dedicated funding to support these efforts will help cover the overall cost of hosting events and partnering with organizations to support robust career awareness activities.

Outcomes: Equitable Access to Resources, Skills Development



Michigan Reconnect

Action: The Michigan Works! Association supports efforts to reduce the eligibility age to 21 for all Michigan Reconnect participants, while maintaining active involvement in assisting applicants with other workforce services, including barrier removal, career coaching, and short-term skills scholarships.

Overview: Michigan Reconnect is a tuition-free community college scholarship program for individuals over 25. Since the launch of Michigan Reconnect in 2021, more than 114,000 eligible individuals have applied to seek an associate degree or industry-recognized credential. Lowering the age to 21 will continue to expand economic and educational opportunities to a sizable portion of Michigan residents, particularly underrepresented populations who may face systemic barriers to education and career pathways. Additionally, the Michigan Works! Association reiterates the importance of Section 5 of PA 251 (2022), ensuring that applicants are connected to their local Michigan Works! agency for additional supportive services, career guidance, and coaching.

Outcome: Increased Wages, Labor Force Participation, Equitable Access to Resources, Skills Development