

MINUTES OF THE UNEMPLOYMENT INSURANCE BOARD MEETING
DECEMBER 15, 2010
INDIANA GOVERNMENT CENTER SOUTH
10 N. SENATE AVENUE – CONFERENCE ROOM 14
INDIANAPOLIS, IN 46204

Members present were Dave Collins; Joe Evans; Randy Maxwell; Paula Presnoples, President; Kent Tolliver and Kevin Tully, Vice President. Also in attendance from the Indiana Department of Workforce Development were Commissioner Mark Everson; Randy Gillespie, Chief Financial Officer; Mary Johnson, Deputy Commissioner Unemployment Insurance; Michelle Marshel, Deputy Commissioner Communications; Ron Miller, Deputy Commissioner Ethics and Compliance/General Counsel Interim; Scott Sanders, Deputy Commissioner Systems Information and Analysis; Gregory Vollmer, Deputy Commissioner Field Operations.

Mrs. Presnoples welcomed guests Leslie Crist, Director of Strategic Initiatives; Chris Guidry, Director of Career and Technical Education; Brad Nemeth, former employee.

Mrs. Presnoples called the meeting to order at 10am and recognized a quorum was present.

COMMISSIONER'S REPORT

Commissioner Everson discussed the SWIC (State Workforce Innovative Council) restructuring the RWB's (Regional Workforce Boards) to become WIB's (Workforce Investment Boards). All regions had a deadline to make a decision by November 30, 2010. The SWIC met on December 9th and endorsed all northern regions in their decision to seek WIB status. All southern regions except one have decided to seek WIB status as well. Region 10 is the only region that has requested to remain a RWB but the SWIC has given them an extension to the end of the month to reconsider.

Commissioner Everson discussed the UI Trust Fund reform. He stated that congress will extend the existing program except for the additional \$25 a week. He also stated that the State needs to solve the interest issue. Indiana will have to pay \$60 million on the first payment. He directed the board's attention to the slide discussing certain principals that must be met. He asked the board to endorse the approach of bringing premiums and benefits into alignment and ensure fair benefits for unemployed Hoosiers. Paula suggested that the board discuss this and vote on it later in the meeting.

OLD BUSINESS

Mrs. Presnoples asked if all board members had reviewed the previous meetings minutes from November 17, 2010 meeting. A motion was made by Dave Collins and Randy Maxwell seconded the motion. Motion approved.

Mr. Sanders stated that he heard from the Governors office and they will begin the preview process for potential members.

OPERATIONAL UPDATE

Ms. Johnson began the operational update. She directed the board's attention to the initial claims chart. This chart showed an increase which is common with layoffs around the Thanksgiving holiday. She showed the Claims Paid chart and stated we will probably see a decrease until legislation is passed. She discussed the Claimants by Tier chart and stated there were 79,000 on State funding and 96,000 for Federal funding.

Mr. Gillespie discussed the States Borrowing worksheet and stated by mid to late January we will hit the \$2 Billion mark. Texas has already started issuing bonds which Commissioner Everson stated he does not favor this act.

Mr. Gillespie discussed the Penalty and Interest fund. He stated that \$8.6 billion is available and \$2 million will be set aside for the major opps program.

Mr. Sanders directed everyone's attention to the letter from 2008 to the Governor from the UI Board. The board reviews this letter and agrees that this is stating that the board agrees with the principles that Commissioner Everson discussed regarding the UI Trust Fund reform. Mr. Sanders reviewed the process to the board stating that all base earnings will be analyzed. Ms. Presnoples entertained a motion stating we the board agree with over arching principal as outlined by the commissioner with the four points: bring premiums and benefits into alignment to achieve structural balance in normal times, repay the federal loan, with interest by 2020, ensure fair benefits for unemployed Hoosiers, and maintain Indiana's competitive business climate and the board looks forward to participating in future discussion. Randy Maxwell motioned for approval for the board to endorse these principles and Kent Tolliver seconded the motion, motion approved.

NEW BUSINESS:

Mr. Gillespie stated the Policy and Program team was here to present to the board on how they would be able to utilize the \$7 million that is available from the Penalty and Interest fund.

Ms. Leslie Crist gave a presentation on the Young Hoosier Conservation Corps (YHCC) program. She stated that this program partnered with Department of Natural Resources to hire young adults at poverty level to help restore the state parks and recreational areas. This program was created in 2009 using ARRA funds. In 2010 they were able to enhance the program and partner with INDOT along with DNR. This program has benefited over 600 youth and prepared them for the workforce. Some have even found full time employment with DNR and INDOT thru this program.

Mr. Chris Guidry gave a presentation on the Adult Education program that is partially funded by ARRA and WIA. He stated that the WorkOnes and Adult Basic Education centers work with companies such as Kuder and Work Keys to assist adults in their career pathways. This program allows adults who have not received their GED to attain that and develop the skills they need to get into the workforce. Mr. Guidry discussed the Excel Center that is the model of what they are trying to achieve.

The board discussed these options but was not ready to make a motion. Discussion ensued.

Ms. Presnoples stated she is unable to attend the UI Board meeting scheduled for the 19th of January and asks if moving up one week would work with everyone's schedule. The board agreed and the meeting was moved to the 12th.

PRIVILEGE OF THE FLOOR:

The next board meeting will be January 12th 2011.

ADJOURNMENT:

Mrs. Presnoples adjourned the meeting at 12:10pm.