

MINUTES OF THE UNEMPLOYMENT INSURANCE BOARD MEETING
AUGUST 1, 2007
INDIANA GOVERNMENT CENTER SOUTH
10 N. SENATE AVENUE, ROOM 301A
INDIANAPOLIS, IN 46204

Members present were Brent Schoolcraft, President; Samuel Schlosser, Vice-President (via phone); Barry Baer (via phone), Tom Hargrove (via phone), Dave Thomas, Joe Evans, Randy Maxwell and Kevin Tully. It was acknowledged that there was a quorum present. Also in attendance were Andrew Penca, Commissioner; Will McCoskey, Deputy Commissioner Employment Growth, John Ruckelshaus, Deputy Commissioner of Government Affairs, and Teresa Voors, Chief Counsel (via phone).

The guests present were Laura Merrion, Director of UI Tax, and Tom Janik, Employer.

The meeting was called to order by Brent Schoolcraft at 10:02 am and he introduced Commissioner Penca.

COMMISSIONER'S REPORT:

Commissioner Penca gave a brief update regarding the first Strategic Skills Initiative Summit that was held with 275 people in attendance. The Secretary for the Department of Labor, Elaine Chao, spoke. The Strategic Skills Initiative was launched in June, 2005, in our 11 Regions. At the end of the year we had 2,200 people enrolled in SSI solutions, training programs that did not exist before. The new Job Matching software project is moving forward and should be functional by the end of first quarter of 2008. The new software will be a labor intensive function of the Agency giving people that are unemployed the best resources to seek reemployment.

Commissioner Penca reported that data management and analysis is an important part of the Agency and Hope Clark will be updating the Board sometime this Fall on the progression of being able to track every employer and employee that enters our system. They are in the process of moving the data from the different systems together. It will allow the Agency to track a claimant's employment. The next phase is for Indiana Commission for Higher Education and the Department of Education to connect our records with educational records. Then we will be able to look at the degrees earned and when those people enter the workforce, track where they are in 10 years from an aggregate level. The timeline is in terms of years, not months, with this massive amount of information looking 2 – 3 years out. We hope to be using Agency data by the end of year.

OLD BUSINESS:

Mr. Schoolcraft asked if everyone had reviewed the prior meetings minutes and a motion was made by Mr. Thomas to accept the minutes from the July 5, 2007 meeting, which was seconded by Mr. Baer and unanimously approved.

Mr. McCoskey reported that one of the board vacancies has been filled by the Governor's Office with Kent Tolliver of Subaru, representing a large scale employer, and we hope to have him at next month's meeting. Mrs. Voors added that another candidate may also be at the next meeting.

NEW BUSINESS:

Mr. Schoolcraft moved on to New Business on the Agenda and asked that the "Employer Appeal" be moved up on the Agenda for discussion. It was agreed and Mr. Schoolcraft introduced Mr. Tom Janik. Laura Merrion presented the Agency's side and in doing so realized that she could take care of the problem for Mr. Janik and asked the Board to table the matter. Mr. Baer inquired as to the penalty and if it is continuing to accrue. Mrs. Merrion stated that interest is still accruing, penalty is one time. Mr. Baer was concerned about tabling the item if the interest was still going to be accruing. Discussion followed wherein Mr. Schoolcraft stated if there are already systems in the Agency to handle this, it seems premature for the Board to take action. Mr. Schoolcraft asks that a motion be made. Said motion is made by Mr. Thomas and seconded by Mr. Evans.

Mr. Schoolcraft turned the floor over to Mr. McCoskey. Mr. McCoskey reported to the Board that at the last meeting it was requested that the unemployment rate be provided regularly. The unemployment rate for June was a slight increase from May which was 4.5%. The unemployment rate for 2007 is still trending below other years except for 2000 & 2001. Overall unemployment rate is acceptable for the State and as compared to previous years, lower by fair amount; need to look at unemployment statistics over a long period of time.

Mr. McCoskey reported on UI performance metrics relating to federal reporting requirements. In the first quarter of 2007, the Agency had large number of claims from holiday shutdowns due to understaffing. We are hiring yearly employees to handle seasonal peaks. The Agency may try to use retirees from the Agency to help get through seasonal peaks in claims.

Mr. McCoskey proceeded with the Unemployment Insurance Modernization process update. The Agency just kicked off adjudications pilot. It allows them to remove paper steps and links process with higher efficiency. Early figures show we could have 20% increases in efficiency. We are able to track adjudicators and focus on the underperforming ones that need additional training. It increases the number of claims they can adjudicate. We hope to be able to give positive updates in the next few months.

Mr. McCoskey reported that on the claimant's side, he and Deputy Commissioner Marty Morrow traveled in July to several WorkOnes and viewed the need to improve the system screens. They observed individuals having trouble using the computer and may bring in an outside group specializing in interfacing. If we can do this for our customers, it will help from a customer service standpoint.

Mr. McCoskey proceeded to update the Board on the UIM Process wherein he introduced a Resolution to the Board. He read said Resolution, a copy of which will be with these minutes. This Resolution asks that the amount for the UIM Project contract amount be raised and discussion followed. Mr. Schoolcraft asked if there were no more questions if a motion could be made to accept the Resolution. Mr. Schlosser made a motion to accept and Mr. Evans seconded and motion carried.

Mr. Thomas asked if Scott Sanders was going to present the P & I Special Fund figures to the Board. Mr. McCoskey reported that Mr. Sanders was giving a presentation in Hanover and would present the figures to the Board at the September meeting when all resolutions have been reviewed as per the original request by Mr. Baer.

Mr. Schoolcraft had question with respect to timeliness of closure for non-monetary type of claims. Supplemental assistance will get us to 80% and Mr. McCoskey says there may be other issues to address with the Uplink system for employers. During the July shutdowns they did not use the system. We will be doing additional marketing of the new system.

Mr. Schoolcraft moved to election of officers where he recommended that in light of the fact that the Governor's office is trying to fill the vacancies on the Board, that the election be tabled until the seats are filled and that Sam Schlosser, as Vice-President, chair the meetings until the board elects a new president. Mr. Schoolcraft noted that this meeting would be his last and that he appreciated his time on the Board. The second large employer opening is to fill his vacancy. Mr. Baer agreed that it would be better to let Mr. Schlosser chair the meetings until the Board is full. Mr. Thomas made said motion, Mr. Thomas seconded and it was unanimously approved.

PRIVILEGE OF THE FLOOR:

Mr. Schoolcraft once again reiterated that he had enjoyed his time on the Board and Mr. Schlosser thanked him as well.

The next board meeting will be September 5, 2007.

ADJOURNMENT: Mr. Schoolcraft opened the floor and asked for a motion to adjourn. Mr. Thomas moved to adjourn at 11:09 am and said motion was seconded and approved.