

MINUTES OF THE UNEMPLOYMENT INSURANCE BOARD MEETING
FEBRUARY 16, 2011
INDIANA GOVERNMENT CENTER SOUTH
10 N. SENATE AVENUE – CONFERENCE ROOM 19
INDIANAPOLIS, IN 46204

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

Ms. Presnoples welcomed guests Mary Brown, former employee; Andrew Gray, former employee; Brad Nemeth, former employee.

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

COMMISSIONER'S REPORT

Commissioner Everson gave an update on the Unemployment Insurance Legislation. He stated the current bill is on the cusp of being passed and that the agency will work quickly to implement the provisions that have an immediate impact. He discussed the Administration's budget bill at the federal level and stated there are significant reductions proposed throughout programs funded through US-DOL. Any funding decisions will have an impact all throughout the state's workforce system. The Commissioner made it clear that the agency would prefer greater flexibility in moving funding between federal training programs but that would require significant action from Congress. The budget discussions at the federal level are just beginning and there is a lot of uncertainty as to what the future funding levels for our programs will be. He stated that the agency must be prepared to adjust to whatever happens.

Ms. Marshel gave a Legislative review stating the UI Bill is on its second reading and has already passed through the house. She stated that the HB 1379 had a major impact on employers back in 2009 as it raised their premiums and that this bill will decrease their premiums by moving to schedule E.

OLD BUSINESS

Ms. Presnoples asked if all board members had reviewed the previous meetings minutes from the January 12th meeting. A motion was made to approve the amended minutes that were handed out at the meeting by Dave Collins and Kevin Tully seconded the motion. Motion approved.

OPERATIONAL UPDATE

Ms. Johnson began the discussion on metrics and directed everyone's attention to the initial claims chart. She stated that the overall claims continuing to decrease as the economic recovery continues. There was the usual increase in initial claims filed during the holiday season and the agency has been working through those claims in an expeditious manner.

Commissioner Everson commented that this winter was the third coldest winter on record for the State of Indiana and as a result the increase in initial claims that we normally see during this time of year is larger than it has been in previous years.

Mr. Gillespie directed everyone's attention to the UI Benefits slide as he discussed the amount of claims paid. He discussed the large spike in dollars paid during periods of 2009 and stated that this was a result of higher income Hoosier's drawing benefits. He discussed the states that are borrowing and stated that Indiana will be in the two billion dollar range through 2011. He also gave an update on the monthly board report and the Penalty and Interest fund.

Ms. Presnoples began discussion regarding IEDC's request for funding that was presented at the previous meeting. Mr. Maxwell motioned to approve the subject for discussion and Kent Tolliver seconded the motion. The motion was passed and the subject was opened for discussion.

The board discussed the program and agreed to allocate funding. A decision was made that an annual performance update will be required that provides sufficient detail as to the use of the funds. Additional funding for the second year will be subject to the board's approval based on the outcomes achieved during the first year of the program.

Ms. Presnoples motioned for approval of \$100,000 to be allocated to IEDC, the motion was carried.

The board discussed annual apprenticeship updates from Ivy Tech, Vincennes University, and The Indiana Plan. These groups will be required to present their annual budget update to the board at upcoming board meetings. Invoices for payment will be held by DWD until the entities have successfully presented to the board a sufficient amount of detail as to the use and outcomes of the funding that has been provided thus far.

NEW BUSINESS:

Ms. Presnoples asked the members if they had any new business. Mr. Sanders stated that the remaining three board members to be appointed have been sent over to the Governor's office. Mr. Gillespie stated that he would send out the appointment terms for all board members.

PRIVILEGE OF THE FLOOR:

The next board meeting will be March 16, 2011.

ADJOURNMENT:

Ms. Presnoples adjourned the meeting at 11am.