



Tom Barrett  
Mayor, City of Milwaukee

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March 22, 2007

Secretary Roberta Gassman  
Department of Workforce Development  
P.O. Box 7946  
Madison, WI 53707

Dear Secretary Gassman:

This is in response to your letter of February 23, 2007, asking for details on the City's plans for transition to a City-led Milwaukee County Workforce Development Area (WDA). Let me assure you and the Governor that I want a smooth transition that minimizes any disruption of services and/or operations. You will have my team's complete cooperation in that regard. Let me address your specific requests:

1. Transition Contact:

During this transition period Don Sykes, who authored the workforce report (*A Review of the Milwaukee Workforce System*) and has agreed to be my appointment as the City of Milwaukee's first Workforce Development Director, will be the primary contact. In addition, Paul Vornholt, a member of my staff and the project manager for this initiative, will be a secondary contact.

In addition, I will be naming a transition team to work with DWD and the Private Industry Council Board and staff for planning and implementation purposes.

2. Grant Recipient & Administrative Entity:

The grant recipient and administrative entity that will manage these funds will be evaluated and determined during an initial transition period. My preferred alternative would be a change of Chief Elected Official designation to the Mayor and retention of the current non-profit entity, the Private Industry Council (PIC), as a grant recipient and administrative entity working under City direction.

However, the City will not commit to or assume obligations, liabilities or assets which cannot be fully examined at the present time. We would like to fully explore the foregoing model and existing programs and contracts in cooperation with DWD and PIC board members and staff.

If the above-mentioned model cannot be utilized, the City would create a new independent non-profit entity to manage and administer operations of the program. The City is already in the process of evaluating the Milwaukee Economic Development Corporation (MEDC) as a model either for creation of a new entity or for extension of its mission to incorporate workforce development initiatives.

As you know, MEDC has played the role of administrator and fiscal agent to workforce development grants from DWD/DOL and the Helen Bader Foundation. Hence, a pre-funding audit may not be needed. If necessary, the City will create a new agency and structure to manage Workforce Investment Act (WIA) program funds.

3. Board Membership:

The City will meet federal requirements of representation and create a board that reflects the diversity and geographical population of Milwaukee County. I will contact current board members of the Private Industry Council and gauge their interest in continuing to serve.

4. Program Continuity:

During the past several weeks, I have read articles pertaining to disruption of funding for agencies which have been receiving WIA funds. These announcements from the PIC raise concerns regarding its current fiscal condition.

Assuming no financial issues arise in our evaluation period, the goal of the city is to minimize disruption and ensure that good services and operations are retained. Again, assuming no financial issues arise, the City intends to make no changes to service provider contracts, professional service contracts, or program staff until they have been evaluated. Those which meet City professional standards and guidelines will be retained. The City proposes a six-month period to develop a strategy to make necessary changes.

The City takes this request very seriously and will work diligently and professionally to ensure a smooth and efficient transition. Our commitment is to the professionals who carry out these services, and more importantly, the clients and needs that are served.

Sincerely,

A handwritten signature in black ink that reads "Tom Barrett". The signature is written in a cursive style with a large, sweeping initial "T".

Mayor Tom Barrett

MTB/pav