

Virginia Career Works Northern Region

Thursday, December 2, 2021

Quarterly Board of Directors Meeting

Summary Notes

Members Present:

Shekera Alvarado	Roxana Mejia	Zuzana Steen
Robert Bartolotta	Donna Motsek	Paul Steiner
Anthony Cancelosi	Leanne Rerko	Joseph Terry
Louis Cernak	Christopher Rieley	William Threlkeld
Julie Coons	Todd Rowley	William Trumbull
Edward Dupass	Roopal Saran	Michele Weatherly
George Harben	Mary Ann Shurtz	Lisa Whetzel
Mohamed Hussein	Karen Smaw	

Executive Director: David Hunn

Staff: Ann Hyslop, Seema Jain, Sabrina Walker, Nancy Nguyen, Mark Chernisky, Sheila Jones, Laura Snell, Eliza Chappell, Karla Quiroz, Deborah Shaffer, Claudia Barrios, Christine Slattery, Rebecca Bennett, Angela Harris and Lauren Parker

Observers: Lisa Tatum, Dai Nguyen, Tatiana Nuth, Jamie Hudson, Desiree Roberts, Linda Siam, Diane McBride, Trang Montgomery, Lisa Vivian, Greg Vaughn, Glenda Blake, William Browning, Myra Mobley, Daniel Mekibib, Bryan Shelly, Kim Carr, Ralph Figaro, Shelly Rodriguez, Patrick Clapp, Debora Harvey, Sandra Zacarias, Attia Mahmood, Susan Orehowsky and Tim Elcesser

The meeting commenced at **8:30 a.m.**

Board Member Roll Call: Sabrina Walker conducted roll call and a quorum was met.

Approval of September 2, 2021 Summary Notes: A motion was made by Joseph Terry to approve the Board Summary notes from September 2, 2021 and was seconded by Roopal Saran. The Summary Notes were approved unanimously by the full Board of Directors, with no abstentions.

Introduction of New VCW Northern Board of Director Members:

David Hunn introduced two new board members, Debora Harvey, Executive Director of Heavy Construction Contractors Association and Derwin Overton, Executive Director of O.A.R.

Chairman's Report:

Chris Rieley, the Chairman of the Virginia Career Works Northern Region Board of Directors, welcomed the Board to the meeting. Rieley commented on how the Northern Virginia labor market is recovering from the Pandemic – the Virginia Employment Commission is reporting that

the region's October 2021 Unemployment Rate was approximately 2.5%, a far cry from the 10%+ rate in April 2020. VCWN staff and Centers are meeting with employers seeking assistance in finding new workers to bring onboard. Our Centers are now open to the public, with appointments and walk-in availability, but staff have reported that the Centers are not being heavily utilized. The local One Stop Operator staff are meeting with jobseekers virtually, more than ever before; yet there are many more jobs available than interested jobseekers currently.

Rieley noted that Chumura Economics and Analytics, based in Richmond, will be presenting later in the meeting to share some targeted data from their research on the impact of the Pandemic on female employment levels in Fairfax County. The *SkillSource* Group staff have been working on this research with the Fairfax County Commission on Women staff and engaged Chumura Economics to assist with this data review.

The VCWN Board will be covering a variety of topics today, including a further update to and ratification of our FY 2022 Revised Budget, the new Northern Virginia Return to Earn Initiative (where VCWN is a leader in employer engagement and funding commitments), the Virginia LinkedIn Learning effort and ongoing workforce activities. Since the last Board Meeting, Virginia officials have revised the WIOA 40% Training Expenditure formula calculation that has so severely impacted VCWN's ability to manage shifting funding levels and caseloads – the new formula is expected to include staffing costs within the expenditure calculation – allowing VCWN more flexibility than currently allowed. The FY 2022 Budget adjustment that the Board will review and ratify includes the reallocation of WIOA funding to high priority areas, from the adjustments due to the formula revision.

Rieley also mentioned two topics that the Board will not cover extensively but must be higher priorities in the upcoming year. The Board staff has coordinated closely with the Fairfax County Opioid Coordinator, and he expects to have her meet with the Board at the March 2022 meeting to discuss ways and methods the Board can support the region's substance abuse providers to support jobseekers recovering from their addiction and seeking to return to work.

Also, the Northern Virginia Health Foundation just issued a new report in November 2021 titled 'Deeply Rooted – History's Lesson for Equity in Northern Virginia.' The Report highlights that in a region known for its affluence, there is a 17-year gap in life expectancy across census tracts and identified 15 "islands of disadvantage," neighborhoods where residents, disproportionately people of color, face harsh living conditions. The impacts on employment are also documented. The free report is available online at www.novahealthfdn.org. VCWN will be working to invite the Report author, Dr. Stephen Wolfe of VCU, to a future Board meeting to discuss his findings. All Federal, State and Local funding organizations are expecting community boards, like the VCWN Board, to have a focus on equity, diversity and inclusion and this Report is a good start for VCWN to go in that direction.

Mr. Rieley then asked for Committee Report Updates, as follows

Quality Assurance Committee: Donna Motsek reported for the Quality Assurance Committee.

- The Quality Assurance Committee last met on September 22, 2021.

- At this last meeting, the Committee approved one (1) new Eligible Training Provider and their programs and expanded course offerings from one (1) current training provider.
- The Committee also approved the annual renewal of 68 Training Providers that submitted all required documentation, to continue as Area #11 Eligible Training Providers for FY 2022.
- During the annual renewal process, nine (9) Area #11 Eligible Training Providers submitted requests for program cost increases. The Committee reviewed and approved these requests.
- Lastly, the Committee was briefed on training obligations by each Eligible Training Provider.

Youth Committee: Seema Jain reported for the Youth Committee.

- The Youth Committee last met on September 14, 2021.
- As of August 31, 2021, the Northern Virginia WIOA Youth Program was at 93 enrollments, and currently at 100% Out of School Youth enrollments. The Committee is focused on how to increase caseloads for FY 2022, given the significant increase in WIOA Youth funding for the new program year.
- The Committee will review the outcomes and success of the summer Youth Leadership Academy, which served 54 young adults, and provided virtual training in the form of mock interviews, resume feedback, assistance with creating a LinkedIn account, financial literacy, meeting industry professionals and more.
- Lastly, the Committee reviewed current performance outcomes; for PY 2020, the Youth program met or exceeded all WIOA performance measures

The SkillSource Group, Inc. (SSG) Board of Directors: George Harben reported for the SSG Board of Directors. Since the Virginia Career Works Northern Board meeting in September 2021, the SSG Board of Directors have met and acted on the following items:

- The Board reviewed and approved a proposed revised FY 2022 Budget for The SkillSource Group, Inc that this Virginia Career Works Northern Board will consider shortly. With large new increases in Federal WIOA funding for FY 2022, this Budget will allow our local area to add more One Stop Operator staff and to serve more jobseekers and employers.
- Following Chris's earlier comments, State officials have issued revised policy guidance on the State's WIOA 40% Training Expenditure formula, which our Board has advocated for this change for several years; this change will be retroactive to July 1, 2021. This new policy guidance will be a tremendous benefit to our local workforce area and will result in even more jobseekers obtaining new training opportunities. This new policy will be discussed in more detail later in this Board Meeting.
- The SkillSource Group, Inc. FY 2021 Audit was completed in October 2021 by our outside auditors; it was a clean audit with no findings. The full Audit and Uniform Guidance is included in today's Board Package (near the end of the package), and you can also review

online at vcwnorthern.com. Our IRS Form 990 is being completed now and will be submitted in December 2021.

- The *SkillSource* Group Board of Directors will next meet on December 17, 2021.

The Board then heard from Patrick Clapp and Bryan Shelly of Chmura Economics and Analytics about the Impact of COVID Pandemic on Female Employment Opportunities – A National and Northern Virginia Perspective.

Necessary Board Actions Aligned with Approved 2021 – 2024 Strategic Priorities

Become a Thought Leader for Workforce Development

Ratification of FY 2022 SkillSource Group and Virginia Career Works Northern Budget

David Hunn reported the FY 2022 SkillSource budget reflects over \$9.6 million in revenues and \$9.55 million in expenses, with an Increase in Net Assets of \$65,872.

The updated FY 2022 budget incorporates changes because of VWL 14-17 Change 3, which modifies the 40% Training Expenditure calculation for the WIOA Adult and Dislocated Worker programs and allows for the inclusion of case managers' time spent on training in the training formula. It is estimated that 45% of the One-Stop Operator's case managers' time is spent on training; as a result, \$426,173 of case managers' compensation is now included in training expenditures. Therefore, WIOA Adult and Dislocated Worker training expenditures (without case managers' compensation) is reduced to \$520,000 (from \$915,000 in the previous budget version) and the area will still achieve 49% in the training rate.

The budget sets aside four (4) months of WIOA Adult and Dislocated Worker expenditures to cover July to October 2022 expenses and assumes a WIOA PY22 advance of 12% of the PY21 WIOA Adult and Dislocated Worker funding level. The budget sets aside two (2) months of WIOA Youth expenditures to cover July and August 2022, following the timeline for receiving the full WIOA Youth allocations in FY 2021.

An additional \$30,000 in WIOA Adult and Dislocated Worker funding has been added to Incumbent Worker Training. The transfer from WIOA Dislocated Worker to Adult has also been reduced to \$350,000, compared to \$500,000 in the previous budget version.

Changes to the personnel and fringe budget assumptions include:

The *SkillSource* Group, Inc.

- Approximately 25% of the Ticket to Work staff time has now been charged to WIOA Adult and Dislocated Worker, due to the ongoing work that the TTW staff has been doing to support participants dual enrolled in TTW and WIOA, the technical assistance

that the TTW staff provides to WIOA staff and the One-Stop Centers and introducing every TTW customer to the public workforce system services.

Fairfax County DFS (WIOA One-Stop Operator)

- One new staff administrative position has been added to the One-Stop Operator's WIOA Adult and Dislocated Worker personnel budget, starting in January 2022.

Changes to the grants and awards incorporated in the FY 2022 budget include:

- Adjustments to the staffing costs for the budget for the National Council on Aging grant to serve older workers through the WIOA Title V Older Worker program, known as the Senior Community Service Employment Program (SCSEP).
- Two new grant awards from the Virginia Community College System - \$626,372 for the Return to Earn initiative, which is an employer match program to offer funding for hiring bonuses to small businesses through December 2021. Staffing costs for existing SkillsSource staff to administer this program will be funded through WIOA Adult/Dislocated Worker funding, also through December 2021. New funding of \$49,816 has also been added for Center Security Guard services through September 2021 at the VCW – Prince William and Cherokee Avenue Centers. Costs for an armed guard for each center have also been added from October 2021 to June 2022, that will be cost-shared by Center Partners.
- Adjustments to the COVID-19 Dislocated Worker National Emergency Grant to include additional funding received, through February 2022.
- Approximately \$35,000 in WIOA Youth funding has been allocated towards the WIOA Youth Pay for Performance outcome payments.

Other miscellaneous changes include reducing the interest revenue to \$2,000 and adjustments in staff time allocation among projects.

A motion was made by Anthony Cancelosi and seconded by Joseph Terry to approve the revised FY 2022 *SkillSource* Budget. The motion was unanimously approved by the full Board of Directors, with no abstentions.

Approval of Updated Incumbent Worker Training Policy

Seema Jain gave an update on the IWT policy, highlighting changes to the application process, grievance process for Employers and IWT Participants, and the appeal, denial, and reversal process.

A motion was made by Louis Cernak and seconded by Zuzana Steen to approve the updated Incumbent Worker Training Policy. The motion was unanimously approved by the full Board of Directors, with no abstentions.

Expand Talent Pipeline of Youth and Adults for Business

Review of Northern Virginia Return to Earn Initiative Activity

David Hunn reported on the current activity of the Return to Earn initiative.

As of November 10, 2021:

Numbers of Employers requesting – 48

Number of new hires – 183

Amount Expended - \$92,250

Review of Virginia LinkedIn Learning License Distribution

David Hunn, Seema Jain, and Sabrina Walker gave an update on the LinkedIn Learning license distribution status. The Northern region has distributed 1,048 licenses to date. Seema and Sabrina reported on the outreach strategies thus far.

Ensure Diversity of Funding Sources to Sustain Long-Term Impact

Review of State Revisions to WIOA 40% Training Expenditure Formula

David Hunn reported that on October 14, 2021, the State released Virginia Workforce Letter (VWL) No. 14-17, Change 3, to amend the Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Dislocated Worker Local Workforce Development Area 40% formula funds training expenditure requirement, as established by Virginia Code effective July 1, 2015, for training leading to recognized in-demand postsecondary education and workforce credentials. This revision allows Local Workforce Development Boards to include case management time related to WIOA jobseeker training in the 40% training calculation.

SkillSource staff have been working with the WIOA One-Stop Operator, the Fairfax County Department of Family Services, to determine how much in case management personnel costs can be applied towards the 40% Training expenditure requirement. It is currently estimated that 45% of the WIOA Adult and Dislocated Worker case managers' time (salary and benefits costs) can be allocated to Training services, with 100% of the WIOA Training Coordinator's time attributed to Training services. This results in approximately \$426,173 in case management expenses that can be applied to the 40% Training expenditure requirement.

The State will be releasing a further amendment to the VWL to allow WIOA Rapid Response or National Emergency Grant funding to be included in the 40% Training Expenditure calculation.

Pending Grants/Contracts Matrix for New Funding Opportunities

David Hunn reviewed the ongoing Submission and approval status of SSG Grant and Contract Proposals.

Continue Building Sustainable Partnerships in Northern Virginia to Accomplish Our Goals

Northern Virginia One Stop Operator Caseload Review

Tatiana Nuth from Fairfax County Department of Family Services, the One Stop Operator for the Virginia Career Works Northern Region, gave a presentation reporting on the Training caseloads FY 2022 during the period of July 2021 through October 2021. Tatiana also gave a brief update on what's ahead.

PY 2020 Northern Virginia WIOA Performance Outcomes

Tatiana Nuth reported on the WIOA outcomes for PY2020. All measurable performance outcomes were "MET" except for adult median earnings 2nd quarter after exit, which were missed by 1%.

Board Business Items

Executive Director Items

David Hunn provided an overview on FY 2022 (through October 2021) WIOA Training expenditures, by vendor and OJT Commitments. He also reviewed the *SkillSource* Group FY 2021 Completed Audit, and PY 2020 WIOA Annual Compliance Review for VCW Northern Region. Finally, he reviewed the New Northern Virginia Health Foundation Report – 'Deeply Rooted' History's Lessons for Equity in Northern Virginia. A link to the report was included in the Board meeting materials.

Adjournment

With all Board activities completed, Chairman Christopher Rieley sought a motion to adjourn the meeting. The motion was made and seconded.

The meeting adjourned at 10:08 a.m.