

NORTHERN VIRGINIA WORKFORCE DEVELOPMENT BOARD

Friday, December 7, 2017

Quarterly Board Meeting

Summary Notes

Members Present:

Robert Bartolotta
Patrick Brennan
Anthony Cancelosi
Joseph Carter
Marjorie Clift-Bowman
Beth Doyle
Debra Eshelman
Mark Fletcher
Robert Frew
Matt Garcell
Sheryl Granzow
Ted Gregory
Patricia Hughes
Christina Kenney
Donna Motsek
Janet Muldoon
Christopher Rieley
Todd Rowley
Linda Seyer
Karen Smaw
Zuzana Steen
William Trumbull
Hector Velez
Clifford Yee
* *Andrea Eck* for Stephanie Berkowitz

Executive Director: David Hunn

Staff: Deb Stopak, Tyna Gaylor, Eliza Chappell, Seema Jain, Ann Hyslop, Rebecca Bennett, Tisha Chase, Sheila Jones, Mark Chernisky

Observers: Myra Mobley, Greg Vaughn, Laura Bowles

Board Member Roll Call: Sheila Jones conducted roll call and a quorum was met. The meeting commenced at 8:32 a.m.

Approval of September 7, 2017 Summary Notes

A correction was made to the September 7 Summary notes. With this correction, Todd Rowley sought a Board motion to approve the Board Summary Notes from September 7, 2017. A motion

was made and approved. The Board of Directors approved the corrected September 7 Summary Notes unanimously, with no abstentions.

Chairman's Report

The Board Chairman, Todd Rowley, moved immediately into Committee Reports. **Quality Assurance:** Donna Motsek provided a summary of Quality Assurance Committee activities. There are currently 87 Eligible Training Providers and the Training Provider renewal process is in progress.

Program Planning: Karen Smaw provided a summary of Program Planning Committee activities including the Pay For Success Project with Third Sector Capital Partners and Clarus Solutions WOTC Tax Credit partnerships, the emerging new Center at Cherokee Avenue in Alexandria, and activities of the Disability Services Subcommittee. **SkillSource Group, Inc.:** Hector Velez provided a summary of the *SkillSource* Board's activities, including approving two (2) Incumbent Worker Training (IWT) contracts as well as two Request For Proposals (Marketing and outreach in addition to Professional Workforce Consultation). The *SkillSource* Board approved the revised FY 2018 budget and accepted the 2017 Annual Audit and Uniform Guidance Report. He reminded Board members that both documents are on the SkillSource Group website for review.

Board Review of Actions Aligned with Approved 2017-2020 Strategic Priorities

1. Become a Thought Leader for Workforce Development

Pending FY 2018 WIOA Training Expenditure Rate – State Code Mandate

Tyna Gaylor presented an update on the FY 2018 WIOA Expenditure rate. It is State mandated that local workforce boards spend 40% of WIOA Adult and Dislocated Worker funds are on jobseeker training. Currently, 23% of FY18 WIOA Adult and Dislocated Worker funds have been expended for training. 39% of Program Year 16 Funds were expended on Training. Ms. Gaylor clarified that this spending is behind schedule due to a delay at the beginning of the Fiscal Year resulting from slowed intakes to manage the WIOA budget at the end of the previous Fiscal Year. In response, the One Stop Operator has added a case manager to increase capacity to take on more cases and increase outreach staff. Chris Rieley clarified the spending cap per individual, which will be covered in the next discussion as well. David Hunn noted that for the 40% expenditure to be met, the local workforce area must obligate these funds between now and May 2018 in order to be expended by June 2018.

Authorization to Increase WIOA Spending Caps for Individual Training Accounts

David Hunn presented the proposal to authorize the One Stop Operator to increase spending for individuals in the WIOA program. Since 2002, the Individual Training Account value for WIOA Adult jobseekers has been \$3,000 and for WIOA Dislocated Worker jobseekers \$3,500. Our local practice has been that one (1) voucher for one (1) training credential has been awarded per jobseeker. To be more responsive to State credential attainment goals and to support meeting the State's WIOA Training 40% annual expenditure requirement, Workforce Board staff recommend allowing increased decision-making authority to the One Stop Operator staff, allowing ITA authorizations of \$4,500 for WIOA Adult jobseekers and \$5,000 for WIOA Dislocated Worker jobseekers. The additional funds allocated to each eligible jobseeker will be specifically tied to

additional training certifications through ‘stackable’ credentials. The individual ITA spending caps per voucher will remain in place.

Janet Muldoon, Andrea Eck, Ed Trumbull, and Chris Rieley engaged in a clarifying discussion. The State mandate is to contribute to the Governor’s efforts to increase industry certification numbers statewide, but is not affected by the State Budget or tied to employment outcomes. This Federal money has already been allotted. Mr. Trumbull indicated this is an evaluation opportunity to determine whether multiple credentials will have a positive impact on employment. Todd Rowley sought a motion to approve an increase in the One Stop Operator spending authority for WIOA Adult and Dislocated Worker training spending per participant. The motion was made, seconded and was passed unanimously by the full Board of Directors, with no abstentions.

2. Expand Strategic Partnerships across Northern Virginia to Accomplish Our Goals

Continued Implementation of WIOA Youth Program Pay for Success Initiative

Seema Jain and Laura Bowles presented implementation updates of the WIOA Youth Pay for Success Initiative. With the completion of the Feasibility Study by Third Sector Capital Partners, the Northern Virginia Workforce Development Board (Workforce Area #11) and *SkillSource* is the first local workforce area to begin implementing a WIOA Pay For Success project in the nation. The Project has enrolled 22 young adult participants to date and the PFS contract (to allow for PFS Bonus Payments) with the Fairfax County Government is in final preparations for signature. Clifford Yee inquired about referral metrics because only 7 of 21 youth yielded enrollment. Laura Bowles explained that the program is focusing on identifying trends in referrals to improve these numbers. Youth may have been re-incarcerated or may have faced a documentation delay due to strict documentation requirements of the program. Seema Jain stated there is a quarterly meeting for feedback from partners to identify and resolve challenges and clarify appropriate referrals. This process should also increase the conversion rate. Andrea Eck asked about the Return on Investment for phase 7. Ms. Jain indicated this is yet to be determined as they are still in the initial stages. Joe Carter raised concerns about how to fiscally protect the data being collected. Mr. Hunn and Ms. Gaylor responded that this program is being implemented under WIOA regulations and the Uniform Guidance specific to this type of grant, which include those protections. Mr. Hunn summarized that this program could eventually be funded through private funds, with public funds utilized as the bonus payment structure and will be a catalyst for innovating programming.

3. Maintain the Viability of the Northern Virginia Workforce System’s Financial Growth, Quality Delivery System and Relevancy to Job Seekers and Businesses

Ratify Revised FY 2018 Budget for *SkillSource* and Northern Virginia Workforce System

Tyna Gaylor presented on the updated FY 2018 Budget. The updated FY 2018 budget reflects **\$7,476,930** revenues, **\$7,474,980** expenses and an Increase in Net Assets of **\$1,950**, in comparison to a \$100,000 loss in the previous budget. **The increase since the August 2017 budget revision results from incorporating a VCCS/DARS award to support career**

pathway efforts for people with disabilities. This three-year award provides funding for the Ticket to Work Case Manager, previously funded by TTW receipts and also provides indirect costs, which contribute toward management and administrative functions.

Other changes include:

- Allocating a portion of the Prince William Center Manager's time to the new Cherokee Center, approximately 25%;
- Adding back a full time Program Assistant and revising the Training Provider Coordinator to full time;
- Adding a VCCS/DARS funded TTW Case Manager through the new award;
- Adding a 2% staff bonus pool over a cost of living adjustment;
- A WIOA Adult and Dislocated Worker training budgeted at 40.04%, which is a reduction from the prior budget, which was nearly 43%;
- A transfer of up to \$438,000 from the Dislocated Worker program to the Adult program to meet the needs of the population; and the
- NVITE Project, a new 2-year award of \$50,000 per year, provides for OJTs in the IT industry;

All other assumptions remain the same as the previous version, which include:

- One Ticket to Work staff, previously funded by the WIOA Adult program is funded by unrestricted Ticket to Work revenues. The Program Director is funded by the new DBVI CPID grant (50%) and WIOA Adult (50%) compared to last year's full funding through WIOA.
- The WIOA funded staff person at the Manassas Center has been reassigned to the new TANF II position.
- Unrestricted funds (reserves) will supplement funding for staff while changes are made to respond to WIOA reductions. This revision provides for 1.9 FTEs funded through unrestricted sources.
- Certain line items including Audit, Financial Management Services and Payroll & HR have been reduced for planned changes or contract decreases.

Joe Carter asked a clarifying question regarding the 2% bonus pool, which Ms. Gaylor explained would be 2% on average, for example to allow for a raise if a job description changes to include greater responsibility. Donna Motsek made a motion to ratify the updated FY 2018 *SkillSource* Budget, which was seconded. The full Board of Directors approved the revised FY 2018 Budget, with no abstentions.

Next Steps on New Workforce Center in Alexandria; Prince William Workforce Center Recertification by State

David Hunn provided an update on the emerging new Workforce Center in Alexandria at Cherokee Avenue. The Center is scheduled to have 19 staff, 14 from the VEC, 1-2 from WIOA, and additional Stratford and Job Corps Staff. The Center is preparing to undergo renovations in early 2018 and the new Center ribbon cutting is anticipated in March – April 2018.

NVWDB Business Items and Executive Director Report

David Hunn reported that the VASAVOR grant has not been funded by the Virginia Department of Corrections after fourteen years, despite the positive outcomes SSG has demonstrated. A question was asked about the impact of losing this grant on the PRC. Mr. Hunn replied that the Pre-Release Center programming will continue under separate funding, so we will be looking for additional funding to expand that program. Mr. Hunn discussed the Virginia Financial Services Network and that the control group was ending. However, the grant will continue for two more year. He introduced Tisha Chase, the VFSN Project Coordinator. Ms. Chase provided an update on current status of VFSN. Currently, seventy-three (73) clients have enrolled and there are 40 active cases.

Mr. Hunn briefly addressed the Work Opportunity Tax Credit (WOTC) and our partnership with Clarus Solutions. He pointed out that this Federal Tax Credit may be at risk of elimination in the current Congressional negotiations over the Federal Tax Proposal. In addition, he congratulated Tyna Gaylor and her team for another clean annual audit, with not having any recommendations cited by the auditors.

Adjourn

The Chairman, Todd Rowley, adjourned the meeting at 10:12 am.