

Virginia Career Works Northern Region

Thursday, September 5, 2019

Quarterly Board of Directors Meeting

Summary Notes

Members Present:

Robert Bartolotta	Janet Muldoon	Karen Smaw
Anthony Cancelosi	Bruce Patterson	Joseph Terry
Joseph Carter	Leanne Rerko	Bill Threlkeld
Louis Cernak, Jr.	Christopher Rieley	William Trumbull
Marjorie Clift-Bowman	Roopal Saran	Hector Velez
Robert Frew	Carl Savino	Lisa Whetzel
George Harben	Linda Seyer	
Mohamed Hussein	Olivia Shultz	
Donna Motsek		

Executive Director: David Hunn

Staff: Tyna Gaylor, Ann Hyslop, Sheila Jones, Eliza Chappell, Amy Prestidge, and David Browne

Observers: Trang Montgomery, Dai Nguyen, Tatiana Nuth, Jamie Hudson, and Lisa Tatum.

Board Member Roll Call: Sheila Jones conducted a Roll Call and a quorum was met. The meeting commenced at 8:31 a.m.

Approval of June 6, 2019 Summary Notes: A motion was made to approve the Board Summary notes from June 6, 2019. The notes were approved unanimously by the full Board of Directors, with no abstentions.

Chairman's Report:

The Board Chairman, Chris Rieley, introduced himself as the new Board Chair, and who also works as a Vice President with Atlantic Union Bank. Mr. Rieley welcomed all Board members and specifically introduced all new Board Members and invitee each of them to introduce themselves, as follows:

- Rodney Caulkins – President of Caulkins Construction, Inc. Rod is a new Business Representative from the City of Manassas Park, where his business is located. Rod was appointed by the Manassas Park City Council and the Mayor.
- Lisa Whetzel – Executive Director of Britepaths, Inc. a non-profit organization that supports families in financial crisis and moving them towards self-sufficiency.
- Tanya Moore – Regional Vice President with IBM

- Olivia Shultz – Director of Human Resources with Technology Management Associates (TMA) of Chantilly, Virginia
- Roopal Saran – Executive Director of the Literacy Council of Northern Virginia
- Bill Threlkeld – Division Director of Community Building and Neighborhood Resources with Cornerstones in Reston

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

Quality Assurance Committee: Donna Motsek reported for the Quality Assurance Committee. She noted that the last meeting of the Quality Assurance Committee convened on June 20, 2019 and that the committee reviewed and approved programs of one (1) new provider and three (3) current providers. All providers are going through the renewal process and must meet the 50% completion and 65% credential attainment rates. She also noted that a summary of training funding obligations for the fiscal year through May 31, 2019 shows that \$759,748 has been allocated for 366 WIOA clients. Finally, the next Quality Assurance Committee meeting will be on 9/26/19.

Youth Committee – David Hunn provided a brief update on activities of the WIOA Youth Committee, including caseload enrollments, outcome performance and expenditure trends.

The SkillSource Group, Inc. (SSG) Board: George Harben reported for the SSG Board of Directors, noting that:

- The *SkillSource* Group Board approval of the Interim FY 2020 *SkillSource* Group Budget. This action had been previously ratified by the Virginia Career Works Northern Region Board of Directors at its June 2019 meeting.
- The Board reviewed the Labor Department’s WIOA Monitoring Report to the State, based upon its March 2019 Monitoring Visit to Virginia. Two Report Findings, including this Workforce Area’s One Stop Operator Contract and the compensation level of the Executive Director, have been removed from the Final Report. Board staff will discuss these items later in today’s meeting.
- The Board also reviewed several other issues considered by this Board, including the hiatus of the Northern Virginia WIOA Youth Pay for Success Project, the current Incumbent Worker Training contract awards for FY 2019 and ongoing program outcomes for various grant project awards.
- The *SkillSource* Group Board of Directors will meet on Friday September 13 to finalize the FY 2020 Budget process and to complete the annual performance evaluation of the Executive Director.

Necessary Board Actions Aligned with Approved 2017-2020 Strategic Priorities

Become a Thought Leader for Workforce Development

Ratification of Revised FY 2020 Budget for The *SkillSource* Group, Inc. and the Virginia Career Works Northern Region

Tyna Gaylor reported that The FY 2020 *SkillSource* budget has been revised to include actual carry-in from ongoing awards and other updated and refined assumptions. It reflects revenue of

\$7,163,434, expenses of \$7,048,726, resulting in a projected Increase in Net Assets of \$114,708. As *SkillSource* has diversified its sources of funds, and WIOA allocations have declined, reliance on the WIOA allocations for the Northern region has decreased to less than half of total revenues and currently stands at 46% of revenue.

Additional WIOA sources, the Bay Area Youth Consortium (Area 13) and the Senior Community Service Employment Program (Title V), account for 19% of revenue, effectively backfilling VCW Northern recent reductions. An additional 19% of revenue is derived from state sources, primarily from the Department of Social Services and Department for Rehabilitative Services. While other sectors are responsible for revenue, the 4% attributable to Unrestricted Funds drives the Increase in Net Assets. In FY20, projections for Ticket to Work have been increased to \$250,000 on the heels of another successful year which saw revenues recorded at \$280,000.

The Chairman of the Virginia Board of Workforce Development met with local Board Directors in April 2019 and is committed, for FY 2020, to revising the 40% WIOA expenditure funding formula to include local case management costs in the WIOA Adult and Dislocated Worker calculation of Training expenditures. Consistent with previous budgets, the One-Stop Operator provided percentage of training activities for each staff position (21%) has been incorporated into the calculation of the 40% training requirement. Including this in the Training calculation reduces Training expenditures from \$730,000 to \$520,000, providing funding for the One Stop Operator budget request and 50% of the CEO's compensation rather than funding it through Unrestricted. Failure to come to agreement on the inclusion of staffing costs will result in One Stop Operator staff reductions and a projected Decrease in Net Assets. The Youth Program One-Stop Operator staff have decreased by 1 FTE to accommodate the 10% reduction in Youth funds. Health insurance premiums for next year have been adjusted to actual after selection of a CareFirst HMO HSA plan which maintained costs at the same level as in FY19 and provided an alternative to the 17% increase in premiums of the previously selected CareFirst PPO HSA plan.

A motion was made by Marjorie Clift-Bowman and seconded by Joseph Terry for the Board's ratification of the revised FY 2020 *SkillSource Group* budget. The motion was unanimously approved by the full Board of Directors, with no abstentions.

FY 2019 WIOA Training Expenditure Rate – State Code Mandated

Tyna Gaylor presented on the State-mandated 40% Training Requirement progress. David Hunn and Tyna Gaylor responded to a number of Board member questions relating to the State 40% Expenditure Training requirement, including the impact of funding reallocations that reduce case management staffing in order to meet the 40% training requirement.

- **40%** or more of WIOA Adult and Dislocated Worker Funds were budgeted as FY19 Training expenses
- **25%** of PY 17 funds were expended on training FY19.
- **43%** of PY18 funds were expended on training FY19.
- **40% of FY19 WIOA Adult & Dislocated Worker Funds have been expended for training in the fiscal year, reaching the mandated floor.**

- **100%** of the One-Stop Operator Training budget was expended
- **82%** of the Incumbent Worker Training budget was expended.

Expand Talent Pipeline of Youth and Adults for Business

Introduction of New Older Worker Program Initiative – Senior Community Service Employment Program (SCSEP)

Lori Epp from Fairfax County Department of Family Services presented on the Senior Community Service Employment Program (SCSEP). SCSEP represents the WIOA Title V Older Worker Program, which had been previously delivered by the National Council on Aging (NCOA). NCOA has subcontracted with The *SkillSource* Group, Inc. to initiate older worker services as part of the larger public workforce system in Northern Virginia, and to include outlying counties in Culpeper, Rappahannock, Warren and Page. The subcontract totals \$1.1 million and runs from July 1, 2019 through June 30, 2020, with the goal of serving 121 older workers during this fiscal year. The Fairfax County Department of Family Services is delivering these older worker services through one (1) Program Manager. Work experience sites in public and non-profit organization settings are identified for employment opportunities for SCSEP trainees.

Northern Virginia Incumbent Worker Training Program Contracts Update

David Hunn reported In FY 2020, \$50,000 in WIOA funding has currently been allocated for Incumbent Worker Training. \$1,800 has been obligated in costs for exam fees for two (2) companies that accrued training expenses in FY 2019 and are awaiting their employees to sit for the exam, and \$50,850 in four (4) new IWT applications recently approved by the Northern Virginia Incumbent Worker Training Panel. Additional funding will be added to the FY 2020 IWT budget line in order to ensure enough funds are available for approved IWT applications. Virginia Career Works – Northern Region staff have sought to approve IWT applications earlier in the year to allow enough time for companies to complete training, or to reallocate the funding if the funds are not spent. Funding will assist over 350 employees (this is a duplicated number) to receive training and upgrade their skills.

Expand Strategic Partnerships Across Northern Virginia to Accomplish Our Goals

Northern Virginia One Stop Operator Update on Caseload and Service Strategy for FY 2019

Tatiana Nuth from Fairfax County Department of Family Services gave a presentation reporting on the Employment and Training Team, for the fiscal year ending June 2019.

Outcomes from Federal Labor WIOA Monitoring Report in Virginia

David Hunn reported on the final outcomes from the U.S. Department of Labor WIOA Monitoring Report. In March 2019, Federal Labor officials conducted a WIOA Monitoring Review in Northern Virginia, including reviews of Virginia Career Works Northern Region programs and services. The Labor Monitoring Report issued in May 2019 included multiple Findings for both Virginia-wide and Northern Virginia-specific activities, several of which were incorrect. Virginia Career Works Northern staff worked closely with Virginia Community College officials to object

and contest these Federal Labor Monitoring Report findings in the State response letter. Federal Labor officials accepted the State of Virginia response and removed both Northern Virginia items as Findings. The Federal response letter dated July 25, 2019 was shared with the Virginia Career Works Northern Region Board of Directors. There are no further local actions to be taken in response to the Labor WIOA Monitoring Report.

Board Business Items

Program Management Report

David Hunn provided a brief overview of the Center Program Management report, which highlighted service and performance data for the fiscal year through August 2019. Hunn focused on Center walk-in traffic at the seven (7) Virginia Career Works Northern centers and the demographics of the jobseeker customers entering the Centers.

Executive Director Items

David Hunn reviewed a number of Executive Director items, including an update on WIOA Training expenditures and the WIOA Approved Training Providers participating in the program. He also provided an update on the pending Grants and Contracts underway, including continued work with Virginia officials on a four-region grant proposal to Federal Labor on the opioid crisis, pending grant decisions with Fairfax County Government, the U.S. Department of Justice, and the Virginia Department of Social Services. A new grant proposal to the Virginia Community College System will be submitted in early September.

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 9:50 a.m.