

## Virginia Career Works Northern Region

Thursday, June 6, 2019

### Quarterly Board of Directors Meeting

#### Summary Notes

##### Members Present:

Robert Bartolotta	Patricia Hughes	Todd Rowley
Nannette Bowler	Mohamed Hussein	Linda Seyer
Anthony Cancelosi	Susana Marino	John Shaw
Joseph Carter	Roxana Mejia	William Shoemake
Louis Cernak, Jr.	William Mountjoy	Mary Ann Shurtz
Marjorie Clift-Bowman	Steven Partridge	Karen Smaw
Nicholas Dunn	Bruce Patterson	Zuzana Steen
Richard Ferry	Leanne Rerko	Joseph Terry
		William Trumbull

**Executive Director:** David Hunn

**Staff:** Tyna Gaylor, Seema Jain, Ann Hyslop, Sheila Jones, Sabrina Walker, Mark Chernisky, Eliza Chappell, Tisha Chase, Karla Quiroz, and David Browne

**Observers:** Myra Mobley, Trang Montgomery, Marissa Pierce, Jamie Hudson, Attia Mahmood, Shelly Rodriguez, Dai Nguyen, Lori Strumpf

**Board Member Roll Call:** Sabrina Walker conducted roll call and a Board Quorum was met. The meeting commenced at 8:43 a.m.

**Approval of March 7, 2019 Summary Notes:** The Board Chairman, Todd Rowley, sought a motion to approve the Board of Directors Summary Notes from the March 7, 2019 meeting. A motion was made by Roxana Mejia and seconded by Anthony Cancelosi to approve the Board Summary Notes. The Summary Notes were approved unanimously, with no abstentions.

##### Chairman's Report:

Todd Rowley opened the meeting and welcomed all Board members. He noted that after four years, this meeting will be his last as the Board Chairman and that the Board Nominating Committee will be recommending the next slate of Board officers later in the meeting. Mr. Rowley noted his appreciation to all of the Board Members for their dedication and participation and shared that he will continue to be an advocate for the Board's work within the Northern Virginia community. He noted that he will be in the Chairman of the Northern Virginia Chamber of Commerce for July 2019 – June 2020. Chairman Rowley then introduced several new Virginia Career Works Board members including:

- Nicholas Dunn, CEO from Integrated Federal Solutions
- Richard Ferry, IWFMB Business Partner from LMI

- John Shaw, Director of Workforce and Research Initiatives from Northern Virginia Technology Council

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

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

- The last meeting of the Quality Assurance Committee convened on March 26, 2019.
- The Committee reviewed and approved programs of three (3) new training providers and three (3) existing providers.
- A summary of training funding obligations for the fiscal year through February 28, 2019 shows that nearly \$506,000 has been allocated for 248 WIOA clients.
- Approval for State Certification for the Annandale and Reston Centers was pending, due to building improvements that need to be completed to comply with ADA requirements. These improvements have now all been completed. Virginia Career Works – Northern has notified the State and is awaiting the updated Certification status.

**Youth Committee:** Christopher Rieley reported for the Youth Committee

- The last meeting of the Youth Committee convened on May 14, 2019.
- The Committee was introduced to the new Supervisor of the WIOA Youth Program, Jamie Hudson.
- As of April 30, 2019, the Northern Virginia WIOA Youth Program was at 255 enrollments, and currently at almost 99% Out of School Youth enrollments.
- The Youth team is gearing up for this year's summer EYE Program, and are anticipating over 80 youth participating in this year's program.
- The Committee was also informed about the anticipated FY 2020 budget reduction for the WIOA Youth Program, that has resulted in a staff reduction of 1.5 FTEs.

**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 March 2019, the SSG Board of Directors has met and have acted on the following items:
- Board Acceptance of a new Grant Award totaling \$241,070 from the Virginia Department of Social Services, to provide workforce and career placement services for TANF recipient and other low-skilled and low income adults.
- Board Acceptance of a continued FY 2020 grant award totaling \$236,463 from the Virginia Department of Social Services' Employment Supports for Lifelong Achievement to continue its initiative in Fairfax and Prince William County serving individuals enrolled in TANF who meet expanded eligibility requirements.
- Board Acceptance of a new contract award of Federal Title V Older Worker funding totaling \$1,123,328 from the National Council on Aging, to be the subgrant recipient and provide workforce services to eligible older workers in the Northern Virginia region. This contract award will commence July 1, 2019. *SkillSource* also accepted \$10,000 to initiate workforce services on a part-time basis in April 2019.

- Board Approval of the Revised FY 2019 *SkillSource* Group Budget, which includes increased funding transfer authority between the WIOA Adult and Dislocated Worker funding streams. This action had been previously ratified by the Virginia Career Works Northern Region Board of Directors at its March 2019 meeting.
- The Board accepted the FY 2018 Return on Investment Report, conducted by Chmura Economics and Consulting, based in Richmond, Virginia. This Report is posted on the Virginia Career Works Northern website and provides the specific details of how our local workforce system generates more than \$8 dollars of regional economic activity for every \$1 dollar of public workforce funding provided to us. I encourage you to become familiar with the Report.
- The *SkillSource* Group Board of Directors intends to meet in June as we finalize the FY 2020 Budget process, starting in July.

### **Board Nominating Committee Report and Vote on New FY 2019 - 2021 Board Officers**

Chairman Rowley invited the Chair of the Board Nominating Committee, Robert Bartolotta, to present the recommendations of the Board Nominating Committee for the Board Office Slate of 2019 – 2021. The recommended Officer Nominations are as follows:

- **Chairman** Christopher Rieley – Atlantic Union Bank (Fairfax County)
- **Vice Chairman** William Trumbull – IFC, International (Fairfax County)
- **Secretary** George Harben – Prince William Department of Economic Development
- **Parliamentarian** Donna Motsek – Prince William County Public Schools
- **Treasurer** Joseph Carter – R&K Cyber Solutions, LLC (Prince William County)

Chairman Rowley opened the floor for additional Officer nominations. No additional nominations were brought forth and nominations were closed. Chairman Rowley sought a motion to approve the nominations; a motion was made by Steven Partridge and seconded by Richard Ferry. The motion to accept the Committee nominations was unanimously approved by the full Board of Directors, with no abstentions. The New Board Officers were welcomed to their positions, effective July 2019.

### **Necessary Board Actions Aligned with Approved 2017-2020 Strategic Priorities**

#### **Become a Thought Leader for Workforce Development**

**Ratification of Further WIOA Transfers in FY 2019 Budget for The *SkillSource* Group, Inc.**  
Tyna Gaylor reported that the FY 2019 *SkillSource* Group budget remains unchanged, except for the increase in the transfer authority between the Adult and Dislocated Worker programs. 100% of these funds can be transferred between the two programs.

In June 2018 a transfer of \$275,000 was requested between the Adult and Dislocated Worker programs. Written approval was received July 2018. However, the transfer was posted to the June 2018 WIOA report submitted to the State. This increased the funding carry-in brought over to the FY19 budget for the Adult program and reduced the Dislocated Worker program carry-in. The revised FY 2019 budget places the transfer in FY19, increasing the request for transfer authorization from \$461,000 to \$736,000. This change does not affect the budget in any other way. The *SkillSource* Group Board of Directors approved the revised FY2019 WIOA transfer authority at the April 26, 2019 meeting.

A motion was made by Louis Cernak and seconded by Majorie Clift-Bowman to approve the FY 2019 WIOA Transfer Authority. The motion was unanimously approved by the full Board of Directors, with no abstentions.

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

Tyna Gaylor provided information on The FY2020 *SkillSource* budget draft which reflects approximately \$6.82 million revenues and \$6.77 million in expenses, with a resulting increase in Net Assets of \$49,034. An improvement of \$160,000.

The reductions for the Northern Region exceeded the State averages used to prepare the “second Pass” budget. It is anticipated that the WIOA Adult and Dislocated Worker FY19 budgets will be fully expended to achieve the Training expenditure floor, carry-in is projected equivalent to the FY19 One-Stop set aside or, collectively \$260,000. The Youth carry-in is projected \$50,000 higher than in the previous budget to incorporate changes resulting from the USDOL letter on the WIOA Youth Pay for performance project.

The Chairman of the Virginia Board of Workforce Development has committed for FY 2020 to revising the 40% WIOA expenditure funding formula to include local case management cost in the WIOA Adult and Dislocated Worker calculation of Training expenditures. For the Virginia Career Works Northern Region budget for FY 2020, each staff position has been incorporated into the calculation of the 40% training requirement.

*SkillSource* management’s discussions with Virginia Department of Aging and Rehabilitative Services (DARS) officials indicates that grant funding will be reallocated within the Federal Disability Employment Initiative grant in FY 2020 for the SSG Senior Director and Ticket to Work Employment Network. This assumption has now been incorporated in the budget, reducing unrestricted costs by more than \$105,000.

Youth Program One-Stop staff have decreased by 1 FTE to accommodate the 10% reduction in youth funds. Health insurance premiums for next year indicated an increase of 15%, with a small impact on the budget. The *SkillSource* Group Finance Committee accepted the Third Pass FY 2020 interim *SkillSource* Budget at the May 30, 2019 meeting.

A motion was made by Mary Ann Shurtz and seconded by Anthony Cancelosi for the Board’s ratification of the FY 2020 Interim *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 Site-mandated 40% Training Requirement progress.

- **40%** or more of WIOA Adult and Dislocated Worker Funds are required to be expended for training (FY19)
- **25%** of PY 17 funds have been expended on training FY 19.

- **37% of FY19 WIOA Adult & Dislocated Worker Funds have been expended for training in the first nine months. This is a 3% improvement since last month.**
- Last year, the training rate at the end of April was 34%.

The rates are calculated from and consistent with the monthly reports filed with the State, which reflect training expenditures on a program-to-date basis.

### **Expand Talent Pipeline of Youth and Adults for Business**

Lori Strumpf presented on continuing Local Certification Requirements for Virginia Career Works Northern Region Centers. The Board discussed the impact of reducing the local Center certification requirements that had been in place since 2002 and to allow the State Center Certification process to be the primary requirements. Board members agreed to reduce the oversight burden to Center staff of complying with two certification requirements, but encouraged local Center staff to retain its long-standing CQI Team processes in place to allow for more partner engagement and decision-making.

### **Federal Labor Determination on Northern Virginia WIOA Youth Pay for Success Project**

The U.S. Department of Labor Employment and Training Administration staff performed an on-site WIOA Program and Fiscal monitoring visit for Northern Virginia Workforce Development Board – The *Skillsource* Group on March 20 – 21, 2019. Among a variety of issues identified, ETA has determined that the Virginia Community College System (VCCS) did not adhere to the Federal Awards Terms - WIOA program PY2017/FY2018 regarding the Northern Virginia WIOA Youth Pay For Success project. The State has not received approval for a grant modification request to implement a Pay-For- Performance Contract, even though the Federal guidance for Pay for Success projects had not been completed or publicly released. As a result, the NVTI is not in compliance with the applicable grant terms. Board Members and staff discussed that the WIOA Youth funds do not have the extended period of availability, Virginia Career Works Northern staff are making adjustments to their anticipated WIOA Carryover Plans and will expend the funds prior to June 30, 2019 to avoid returning unspent WIOA funds. The NVTI Project has been a particular success and will continue to serve WIOA Youth who have been involved in the public corrections system or the foster care program; the Pay For Success elements of this Project will be placed on hold pending further State and Federal guidance.

### **Expand Strategic Partnerships Across Northern Virginia to Accomplish Our Goals**

#### **The Virginia Financial Support Network in Northern Virginia Close Out Report**

Tisha Chase presented on close out report of the Virginia Family Support Network Project, which ended in June 2019. A three-year grant was awarded in July 2015 and extended for one year after. The goal of this grant was to serve 300 job seekers who came from different backgrounds with the common goal of improving their financial awareness and understanding of money management. The Statewide VFSN aimed to serve 1,800 job seekers, of which the VCW Northern supported 211 participants. Ms. Chase noted that 78% of recent participants (107/138) regularly met with the financial coach, created a budget, gained access to credit report and created financial and debt management goals.

### **Board Business Items**

## *Program Management Reports*

### *Executive Director Items*

Mr. Hunn provided the items that will be discussed at the Board of Directors meeting:

- **FY 2019 Workforce Area #11 Training and OJT Commitments** - For FY 2019 (through April 2019), Workforce Area #11 has obligated \$676,403 for 322 Adult, Dislocated Worker, and WIOA Youth jobseekers. An additional \$16,037 has been obligated for On The Job Training contracts.
- **Letter of Support for Proposed Bank Merger** - In April 2019, Board staff were invited to submit a letter of support, on behalf of the proposed merger of equals, between BB&T Bank and Sun Trust Bank. A copy of the letter sent to the Federal Reserve Bank of Richmond and the Federal Deposit Insurance Corporation is attached. Page 3.
- **Ongoing Submission of SSG Grant and Contract Proposals** – On behalf of NVWDB workforce programs, the SkillSource Group, Inc. continues to prepare and submit contract and grant proposals. The attached summary highlights recent proposal submissions and outcomes. Pg. 4

### *Adjournment*

With all Board activities completed, Chairman Todd Rowley sought a motion to adjourn the meeting. The motion was made and seconded. The meeting adjourned at 10:14 a.m.