

Summit/Medina Workforce Development Board (WDB)

Summit/Medina Workforce Development Board Meeting Minutes of

September 14, 2016

Summa Health Center at Lake Medina
3780 Medina Road, Medina, OH 44256

CLEOs Present: Adam Friedrich

Board Members Present: Jeff Bissell, Sharlene Chesnes, Robert DeJournett, Bethany Dentler, Mark Derrig, Anthony Esposito, James Lake, Rick McIntosh, Michael Might, Michelle Moran, David Prentice, Joan Pritchett, Phil Ratcliff, Jennifer Stupica

Board Members Absent: Malcolm Costa, Amy Davin, Jessica Heid, Brian Malloy, William Moore

Staff/Guests Present: Gary Benjamin, Terri, Burns, Patricia Divoky, Mark Dzurec, Jeff Felton, Daniel Grantham, Jason Haas, William Hanigan, Michael Lyons, Christine Marshall, Deborah Matz, Amy Michael, Mark Milhoan, Ralph Sinistro, Justin Stark, Carol Wargo

The meeting began in informal session at 8:09 AM, with a request to move Agenda item IV.A to the top of the agenda. The request was approved by consensus of the body.

I. Workforce Innovation & Opportunity Act (WIOA) Compliance – Area 2 Governance Structure

- Deborah Matz, Law Director, County of Summit Executive's Office, updated the WDB on the formation of the Summit and Medina Workforce Area (SAMWA) Council of Governments (COG). Matz expressed that Summit and Medina Counties adopted resolutions agreeing to COG formation on 9/12 and 9/13/16, respectively. The COG becomes an officially recognized entity when all related documents – Area 2's Local Governance Agreement, SAMWA COG Intergovernmental Agreement, and SAMWA COG Bylaws – are approved/signed by each county and delivered to the State.
- Matz explained that under the proposed structure, fiscal operations will be handled as such:
 - **COG Fiscal Agent** – *the entity, designated as the Subrecipient of WIOA funds granted by the Ohio Department of Job and Family Services (ODJFS), tasked with receiving, processing, and accounting for WIOA Administration (ADMIN) funds utilized for management and staffing of Area 2, including support of the WDB.*
 - The designated COG Fiscal Agent is Summit County Department of Finance and Budget
 - **WIOA Fiscal Agent** – *the entity, appointed by the COG, to receive, process, and account for WIOA Program funds allocated to Workforce Area 2 from the COG Fiscal Agent.*
 - The designated WIOA fiscal agent is Summit County Dept. of Job & Family Services (SCDJFS)
- Jeff Bissell, Finance Committee Chair, asked why two separate fiscal agents are needed and suggested having the fiscal agents present at upcoming Finance Committee Meetings.
 - Michael Lyons, Assistant Prosecutor, Medina County Prosecutor's Office, expressed that keeping WIOA ADMIN funds institutionally separate from WIOA Program funds reduces the risk of having conflicts of interest. The federal regulations put in place by WIOA require structures which facilitate a competitive One-Stop operator selection process. To this end, all agreements related

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to COG formation intend to create an independently-functioning WDB, under the authority of the COG, separate from the One-Stop operators and the fiscal agents.

- Relating the COG's formation to the hiring process, Matz expressed that as the Subrecipient for WIOA ADMIN dollars, the COG must form prior to WDB staff onboarding.
 - Patricia Divoky, Director, SCDJFS, inquired about the timeline for onboarding WDB staff.
 - Christine Marshall, Deputy Director, Workforce Development, SCDJFS, expressed that a tentative timeline was provided to the WDB at the 7/13/16 meeting. With the steps left to complete the COG's formation, the expected earliest hire date is early 2017.
 - Bethany Dentler expressed that the Ad Hoc Hiring Committee, comprised of Antony Esposito, WDB Chair, Sharlene Chesnes, WDB Vice Chair, Malcolm Costa, Bethany Dentler, and Mark Derrig, have held several conference calls about the hiring process.

II. Call to Order

- Esposito called the meeting to order at 8:33 AM.
- Esposito welcomed those present to the meeting. Marshall introduced newly appointed WDB members from Summit County – Jennifer Stupica, HR Manager, SSP Fittings Corporation, and Bissell, CFO and Treasurer, NMG Aerospace. Marshall thanked them for their service.

III. Approval of Minutes

- Mark Derrig motioned to approve the 7/13/16 WDB Meeting Minutes. The motion, seconded by Robert DeJournett, Performance Committee Chair, resulted in the minutes' approval.

IV. Reports

- Executive Committee
 - Esposito summarized the proceedings of the 9/7/16 Executive Committee meeting, expressing that the Committee finalized today's agenda on that date.
- Ad Hoc Hiring Committee
 - Esposito expressed that the Ad Hoc Hiring Committee continues to work with Carol Wargo, Workforce Consultant, Workforce Dimensions LLC, to identify staffing arrangements and draft job descriptions. Working with Chesnes, Esposito expressed that they have addressed the division of labor to this end but are currently hampered by the work involved to combine the Ad Hoc Hiring Committee's working definitions and by the lack of a finalized ADMIN budget. This is now being addressed through Ad Hoc Hiring and Finance Committee collaboration.
- Fiscal Agent Report
 - Terri Burns, Chief Financial Officer, SCDJFS, thanked Mark Milhoan, Fiscal Reporting Manager, for closing the books for July 2016. Burns explained that the Fiscal Reports as of 7/31/16 were reviewed at the 9/12/16 Finance Committee Meeting. As of 7/31/16, the total carryover from Program Year (PY) 2015 (7/1/15-6/30/16) in WIOA Program and ADMIN grants is \$1,442,384.00
 - \$1,099,083.00 in Program and \$343,301.00 in ADMIN Grants
 - Burns discussed total WIOA Program and ADMIN allocations for PY2016 (7/1/16-6/30/17):
 - Area 2 Program Grants = \$1,426,175.00

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- Area 2 ADMIN = \$158,464.00
- Area 2 PY2016 Program + PY2015 Program Carryover = \$2,525,258.00
- Area 2 PY 2016 ADMIN + PY2015 ADMIN Carryover = \$501,765.00
- **Area 2 WIOA TOTAL PY2016 Grants + PY2015 Total Carryover = \$3,027,024.02**
- Burns reported on Area 2's Projected Operating Funds for 2016-2017 (PY2016), which include Federal Fiscal Year 2017 (10/1/16-9/30/17) Grants:
 - **Area 2 Total Anticipated Funds for PY2016 = \$4,885,470.00**
- Stupica asked about the difference between the Total Allocation as of 6/30/16 – \$7,629,484.00 – and the Total Projected Operating Funds for PY2016 – \$4,885,470.00.
 - Burns explained that WIOA funds are granted on a two-year basis, and 6/30/16 figure reflects the total two-year award.
- Finance Committee Report
 - Bissell, beginning the PowerPoint presentation referenced as Agenda Attachment (ATCH) 3, expressed that the Finance Committee, formed at a 8/9/16 meeting, has several objectives:
 - To assess and make projections regarding funding available to support the WDB and Area 2's public workforce development system;
 - To develop, track, account, and prepare fiscal reports for the WDB, including:
 - ❖ Budgeting for planned funding and spending vs. determining actual funds received and actual monies spent;
 - To develop financial information, analysis, and recommendations to support the operations of the WDB and programs provided in Area 2.

Bissell explained that it is the Committee's goal to advise the board on sustainable budgeting, particularly with regard the WDB staff. If budgets are done properly, it will allow the WDB to retain staff year-to-year. Doing so requires spend down of carryover over 3-5 years.

 - Adam Friedrich, Commissioner, Medina County Board of Commissioners, asked Bissell if there was a "golden" number or percentage the WDB should consider in budgeting for WIOA ADMIN. Next, Friedrich asked if this figure would maintain carryover indefinitely or drive the carryover towards \$0.00 within a certain period.
 - ❖ Bissell expressed that such a figure would most likely be a declining percentage over the next five years. In addition, Bissell hopes to maintain a carryover every year without driving to \$0.00, but this all depends on how operations play out.
 - Friedrich responded that, from the government perspective, a standard of 20% for planned carryover is frequently used.
 - Noting confusion over the difference between "carryover" and "Year 2 funds," Burns suggested an alternative "carryover" identifier. Bissell expressed that as the Committee acclimates to WIOA, questions and suggestions such as this will be addressed.
 - Bethany Dentler expressed that WIOA Dislocated Worker (DW) carryover exceeds WIOA Adult and Youth carryover. She cited historically low unemployment rates, particularly in Medina County, as a possible reason for the larger DW carryover. Dentler then inquired if it was possible to reallocate WIOA DW dollars to WIOA Adult and Youth.

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- Burns expressed that reallocating DW dollars for Adult programming is allowable for up to 75% of the DW allocation. She cautioned that this is not so much a reallocation of DW funds; rather, the Fiscal Agent charges WIOA Adult services to the WIOA DW pool.
- Dentler expressed concern that despite DW carryover, Medina County has not had funding available for Job Training in PY2015. Citing demand for it, she asked if Medina County could offer Job Training funds through use of the DW pool.
 - William Hanigan, Director, OhioMeansJobs Medina County (OMJMC) center, expressed that PY2015 was an anomaly due to the “shut down” of OMJMC center, and the Board’s and programs’ transition from WIA to WIOA. In PY2016, Medina County can expect greater flexibility to use DW dollars for Adult programming, particularly Job Training.
 - ❖ Marshall responded that this could have been done in PY2015, and that not transfer funds for training was a business decision. The outcome might have been different had the WDB had a Finance Committee. For the first time in five years, the WDB now has a Finance Committee – a dedicated group tasked with unpacking and defining Area 2’s financials. The WDB now has greater ability to examine moving funds from one pool to another. Moreover, there is nothing preventing one county from moving funds to the other. Thus, it is important that the counties begin thinking and operating as a single Area rather than two separate entities.
- Performance Committee
 - DeJournett provided a summary of the 9/7/16 Performance Committee meeting in which Sharon Parry, Workforce Consultant, presented a detailed tutorial on performance measure negotiation. DeJournett thanked Parry for her work. Prompting those in attendance to review ATCH 4a, DeJournett explained that measures shown in red reflect those the State negotiated with the U.S. Department of Labor (DOL). Those identified as “Baseline” have no minimum performance requirement, with only data collection required. Noting both counties must meet the required levels, DeJournett identified the revised performance measures:
 - Adult Median earnings at Q2 following exit = **\$5,000.00** (was \$4,500.00)
 - DW employment retention at Q2 following exit = **82%** (was 81%)
 - DW employment retention at Q4 following exit = **79%** (was 77%)
 - DW Median Earnings at Q@ following exit = **\$6,600.00** (was \$6,400.00)
 - Youth Employment/Training/Education (YETE) at Q2 following exit = **49%** (was 44%)
 - YETE at Q4 following exit = **49%** (was 44%)
 - Youth Median Earnings at Q2 following exit = **Baseline** (was \$2,200.00)
 - Youth Rate for obtaining credentials while enrolled/within a year of exit = **Baseline**
 - Jeff Felton, Director, Medina County JFS, inquired if the performance measures are targets, and if each county is to report their data against these targets on a monthly basis.
 - Marshall expressed that each county will report quarterly performance data against the measures. The potential implication of not meeting the measures is decreased funding.
 - Wargo expressed that it is possible for the counties to exceed these measures.
 - Stupica asked if there was any concern regarding Area 2’s ability to meet the measures.
 - DeJournett expressed that there were no concerns. Wargo, commending the work of the Committee, expressed that they examined historic WIA data in the context of WIOA, and

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determined that both counties are already meeting the revised measures. As such, the Committee recommends accepting the performance measures as is and forging further negotiation.

- **Motion to Accept WIOA Performance Measures**
 - Esposito opened discussion on the motion *to approve the Performance Committee's recommendation to accept WIOA performance measures negotiated by the state with DOL for Area 2 and for the Performance Committee to monitor performance and make recommended changes to measures if necessary*. DeJournett made the **motion**, which was seconded by Michelle Moran. The motion was unanimously approved, making official Area 2's intent to adopt the State-negotiated measures.

V. Old/Unfinished business

- Regional Planning
 - Jason Haas, Business Service Manager, OMJ Summit County (OMJSC) debriefed those present on the status of the Regional Plan. Following the conversion of WIA to WIOA, it became necessary for states to designate local workforce regions comprised of multiple local workforce areas. These regions develop and implement programming based upon regional workforce development needs. Area 2 belongs to a region which also includes Ashtabula, Cuyahoga, Geauga, Lake, Lorain, and Portage counties. This region, dubbed the Northeast Ohio Workforce (NOW) Region, began work on its plan in January. Originally due 10/1/16, the plan is now due early 2017. Haas hopes to present a draft of the plan to the WDB by December.
 - Haas outlined the region's plan timeline and activities:
 - The plan consultant meets with Ilene Shapiro, Summit County Executive, on 10/14/16.
 - The eight counties within the region are collaborating on an America's Promise Grant, a program focused on training jobseekers for in-demand occupations. The grant application, which outlines a proposal to facilitate increased access to training in the field of nursing, was submitted on 8/26/16. If awarded, the expected grant amount of \$6 million will be used primarily for scholarships for students to attend nursing school at one of the region's community colleges or universities.
 - ❖ Marshall added that the benefit of regionalization is greater leverage in requesting and receiving grants and monies such as this. Moreover, if awarded, the grant would free up our WIOA Individual Training Account (ITA) funds for all other in-demand occupations.
- Update from Carol Wargo
 - With the successful procurement of a Medina County Youth contract, the certification of the One-Stop center, and the WDB's acceptance of performance measures, Wargo expressed that her time with the WDB has ended. Wargo explained that the One-Stop's certification is good until 2018. Going forward, the WDB's next big task will be to set up a process to continuously gauge workforce service quality. Wargo expressed it was a pleasure to work with the WDB.

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- Board Certification

- Marshall provided an update on the status of WDB certification, expressing that the WDB currently meets the required compositional criteria, including that 51% of members represent businesses. Going forward, Marshall said that the remaining documents needed for certification will be collected and sent to the State for review by the 9/30/16 due date.
- Dentler inquired about the WDB's bylaws in relation to WDB certification.
 - Marshall expressed that the WDB's bylaws have not yet been redrafted to reflect WIOA. This was discussed at the 9/7/16 Executive Committee meeting, and it was determined that a "dusting off" of the current bylaws is sufficient to get certificated. Following submission of the certification materials, the bylaws must be redrafted.

VI. New Business

- WDB Resolution 2016-01

- WDB Resolution 2016-01, stating the intent of Area 2's WDB to adopt the Comprehensive Case Management Employment Program (CCMEP), was brought to the floor. Esposito motioned to adopt Resolution 2016-01, with Bissell seconding this motion and triggering a roll-call vote. Daniel Grantham, Executive Assistant, SCDJFS, conducted the roll call vote. There were 14 yeas, 0 nays, 0 abstentions, and 5 absences. Resolution 2016-01 was thus adopted unanimously by WDB members.

- Alteration of the WDB meeting schedule

- Marshall expressed that providing the WDB with the most up-to-date financial reports will require the WDB to hold meetings after the 18th of the month. Marshall expressed that proposed dates presented conflicts for WDB members, warranting an alternative process.

- ODJFS Comprehensive Review of Area 2 Operations for Program Year 2016 (PY 16)

- Marshall expressed that ODJFS begins its review of Area 2's operations for PY2015 today. ODJFS conducts on-site assessments to ensure that operations within the Area's two counties are compliant with federal and state mandates. Initially, this review was slated to occur in March 2016, but Area 2 was granted more time to prepare.
 - Chesnes asked if there were any concerns regarding the review. Marshall expressed that since Area 2 is not yet 100% compliant with WIOA, there will likely be findings. These findings will not result in financial sanctions, but rather corrective action plans.

VII. Adjournment

- Esposito motioned to adjourn the meeting. Derrig seconded the motion, and the meeting adjourned at 10:20 AM.

Respectfully Submitted,

Daniel Grantham, Executive Assistant

Summit County Department of Job and Family Services