

SE MN Workforce Development Board

January 5, 2017, 2:00 PM

Workforce Development, Inc.
Rochester, Minnesota

Minutes

Members Present: Guy Finne (Chair), Randy Johnson (Executive Director), Jeff Custer, Dorothy Duran, Cheryl Gustason, Sarah Gutzman, Mike Haney, Roy Harley, Nancy Hoffman, Jean Larson, Julie Nigon, Jerry Reinartz, Diane Simon, Wayne Stenberg, Jason Sundberg, Andy Toft, Nikki Weber-Knutson, Jim Wendorff, Holly Zuck, Jill Miller (Note Taker)

Others Present: Brian Ashton, Jen Bauer, Susan Boehm, Sonji Davis, Jennifer Hamilton, Tom Monson, Kolloh Nimley, Rebeca Sedarski

A quorum was present and Guy Finne called the meeting to order. Introductions of all in attendance were made. **Mike Haney moved to approve the January agenda and December meeting minutes, Diane Simon seconded, and the motion passed.**

Information Sharing

Business Service Specialists

- Jen Bauer – Jen shared information about two recent murder/suicide tragedies in Southeastern MN related to mental illness. She emphasized that employers should be creating awareness and reminding employees of the resources that are available to them, such as an Employee Assistance Program (EAP). Jen stated that Vicky Koehn is retiring and today is her last working day. She stated that Business Services is currently working on eleven events for the first half of 2017, all in the Southeast MN area.

Program Reports

Management Committee – Cheryl Gustason

- Fiscal Report (Attachment A) – Cheryl summarized that \$10,000 was added to the staff development/conferences line item to bring that back into line. This money will last us until the end of the year without any issues or restraints. The utilities line item is high at 67.6%, as we have paid for four months of data lines from the State.
 - Jim Wendorff asked Brian Ashton if he has any concerns about the budget. Brian advised that WDI has made some personnel reductions over the last month and are addressing those issues. Short of that, Brian stated that none of the individual line items are of concern, and we are in a good position. In regards to the classroom training line-item, he noted that we will have plenty of money for summer semester, in addition to carry-in resources to steer clear of any funding issues with Federal programs in the fall.

Roy Harley moved to approve the Fiscal Report, Mike Haney seconded, and the motion passed.

- Audit - Fiscal Year 2015 – Cheryl advised that this was the seventh year Hawkins Ash CPAs, LLP, has performed our audit. The auditor was very pleased with the audit. Cheryl indicated that Workforce Development, Inc. (WDI) had two sets of audits going on simultaneously. In both instances, we had clean, unmodified opinions. Cheryl noted that an unmodified opinion is the best outcome you can get. The audit findings indicate no material weakness, no internal control findings, no adjusted entries, and no questioned costs. Randy Johnson remarked that Brian Ashton and the WDI Administration Team should be commended for their outstanding work! Brian noted that WDI managers and staff have done an excellent job in documenting participant files; monitoring visits have been impressive. Randy recognized Michelle Breamer for leading the WDI Management Information System (MIS) Team. **Jim Wendorff moved to approve the final Audit Report, Mike Haney seconded, and the motion passed.**

One-Stop Consortium – Wayne Stenberg

- Wayne reported that the group had a quorum. They discussed the performance measures for WIOA and reviewed the Training Employee Guidance Letter (TEGL #10-16). He noted that the final guidance does not come out until 2019. They also had a good discussion on Workforce Center challenges and opportunities and how we can do a better job providing services to our clients.

- Randy Johnson indicated that a One Stop Operator has to be submitted as part of our WIOA Plan. He noted that we will work with the Department of Employment and Economic Development (DEED) on the details and bidding process. WDI will have to go through an RFP (Request for Proposal) process, as we cannot answer our own RFP. Randy stated that WDI is seeking a legal opinion, as we believe our One Stop Consortium could take on this role. We propose having the MN Governor's Council make a decision on that. Local elected officials will score RFPs and make the final decision. This will need to be finalized in the next three months.

Sector Reports

Emerging Technology and Economic Development – Jean Larson

- Jean noted that Tom Monson from Community and Economic Associations (CEDA) joined the meeting to discuss the Minnesota Emerging Entrepreneur Program (MEEP) Grant. CEDA was selected as a partner for this state-wide lending program and received \$60,000 of funds that they can loan to qualified small businesses that are majority owned and operated by minorities, low-income individuals, women, veterans, and/or disabled individuals. She stated that Tom will know more about the program rules next Tuesday. Jean stated that the group discussed the new career pathways development involving the construction trade. The committee also worked on reviewing and identifying the targeted jobs.

Healthcare – Julie Nigon

- Julie reported that a quorum was present. There was a discussion about Healthcare Academies. She stated that there are 8 Albert Lea students going on for CNA training, there is a new class starting soon in Owatonna, and there were 24 new CNAs certified at Hawthorne in Rochester. There were also conversations about the Nursing Shortage Solutions (NSS) Taskforce and the LPN shortage. The NSS Taskforce will meet again in February and should come to a conclusion and present a formal report sometime in June. The group also reviewed the targeted jobs list and added to the list; there were no deletions. Julie discussed that Kolloh Nimley spoke about the International Medical Graduate (IMG) Assistance Program and the excitement of participants applying for internships. There was talk about replicating the Bridges to Healthcare Program in other communities, but that has been put on hold.
 - Guy Finne stated that at the Healthcare Sector meeting today, he learned that the Healthcare Academies in Albert Lea, Austin, and Owatonna are being impacted by the recent reduction in staff FTE at WDI. He asked Randy Johnson what will happen in the future to our efforts with those academies. Randy responded that the decision to discontinue these was a combination of short funding and a shortage of enrollees who were eligible for the program. It did not look like the program could survive in those communities.
 - Rebeca Sedarski asked if Comuidades Latinas Unidas en Servicio (CLUES) will be providing any funding for the Bridges to Healthcare Program. Julie Nigon commented that Hawthorne has had conversations with CLUES. Julie reported that CLUES will provide funding for two additional basic CNA sessions in the next year. She commented that the funding would only be for the two additional basic CNA sessions and would not support the overall Bridges to Healthcare Program.

Manufacturing – Jim Wendorff

- Jim noted that the group had a quorum. They reviewed and approved the targeted jobs List. There were two jobs added to the list: medical equipment repairers and cabinetmakers and bench carpenters; and four jobs deleted: food batch makers; first-line supervisors of mechanics, installers, and repairers; inspectors, testers, sorters, samplers, weighers; and printing workers. Sector members also created a list of eight "hot" manufacturing jobs in order of the greatest need.

Services and Trades – Sarah Gutzman

- Sarah reported that they had a quorum. The group discussed the Women in High-Wage, High-Demand, and Non-Traditional Occupations Federal Grant. WDI did not receive funding; however they were not sure where the money went. There are several other possible grant opportunities in 2017 including a Walmart Foundation/Aspen Institute Grant and a CLUES Grant. The group reviewed and approved the targeted jobs list. Of note, the group decided that the majority of the construction jobs should stay. They chose to drop the helpers category and add mechanical positions. There was a conversation about the "Best Places to Work" survey for area businesses. The group would like to encourage more employers to take the online survey and apply. Jakki Trihey at WDI can be contacted with questions.

Director's Report – Randy Johnson

December Open Houses with Legislators

- Randy reported that we held meetings with legislators in December at the majority of our WDI sites. He was very pleased at the turn out, especially in Preston and Caledonia. Eleven different legislators

attended the meetings. There were two open houses held in Rochester, one at WDI and one at Hawthorne/Bridges to Healthcare. He noted that it is very possible that we will see a state government shutdown on July 1st, 2017. Randy discussed that nonprofit organizations would take a big hit if a state shutdown happens.

MN Workforce Council Association (MWCA) Legislative Platform

- Randy commented that he is on the MWCA Committee. He, Jeff Custer, Guy Finne, and Cheryl Gustason attended the MWCA meeting. It was a good session.

DEED – Regional Marnita’s Table Engagement Meeting/February

- Randy Johnson stated that our Regional Workforce Innovation and Opportunity Act (WIOA) Plan was submitted but was not approved. He noted that DEED requested modifications to the plan, which are due in March. In the meantime, Randy discussed that DEED has contracted Marnita’s Table, an independent organization that works with community groups, to meet with regional workforce development officers in hopes of creating a sustainable plan for equity, diversity, and inclusion. Officers from both our Workforce Development Board (WDB) and the Winona County Workforce Investment Board are tentatively planning to meet with Marnita’s Table on February 7th.

Department of Labor Update

- Randy stated that there are no new updates or news.

Secure a Date for New Member Orientation

- Randy would like to plan for a new member orientation sometime in April. He proposed having it on the afternoon of the “Best Places to Work” Banquet, April 20th. He commented to “stay tuned” for a specific date.

Other

- Guy Finne thanked Cheryl Gustason for stepping into a leadership role on the WDB.
- Randy Johnson noted that as Roy Harley had to leave the meeting early today. Roy will be recognized for his contributions to the WDB at the March 2nd Management Committee meeting.

Next Meeting

The next meeting is on Thursday, March 2nd, 2017.

Mike Haney moved to adjourn the meeting, Jim Wendorff seconded. The motion carried, and the meeting was adjourned.

Respectfully submitted,
Jill Miller
Workforce Development, Inc.

ATTACHMENT A**Workforce Development, Inc.****REVENUES by fund source**

From: 1-Jul-16 Thru: 31-Dec-16	Y-T-D Actual	% of Budget	Annual Budget
Grants:			
Adult Employment & Training	756,348	39.0%	1,938,149
Youth Employment & Training	498,526	45.4%	1,098,374
Dislocated Workers	829,442	44.2%	1,877,713
Reading Recognition	1,571	13.8%	11,400
	<u>2,085,888</u>	<u>42.3%</u>	<u>4,925,636</u>
Fees for Service/Other:			
Welfare Reform	1,247,575	41.9%	2,978,548
Custom Training	763	38.2%	2,000
Donations	4,357	43.6%	10,000
	<u>1,252,695</u>	<u>41.9%</u>	<u>2,990,548</u>
Total Recognized Revenues	<u><u>3,338,583</u></u>	<u><u>42.2%</u></u>	<u><u>7,916,184</u></u>
Unrecognized Revenues:			
Unbilled Welfare Reform	(0)	0.0%	0
Unallocated Indirect Costs	86,352	0.0%	0
	<u>86,352</u>	<u>0.0%</u>	<u>0</u>
TOTAL REVENUES	<u><u>3,424,935</u></u>	<u><u>43.3%</u></u>	<u><u>7,916,184</u></u>

Changes Since Last Report:

Total Change	<u><u>0</u></u>
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ATTACHMENT A**Workforce Development, Inc.****BUDGET to ACTUAL by programs/function**

From: 1-Jul-16 Thru: 31-Dec-16	Y-T-D Actual	Percent of Budget	Annual Budget
Salaries and wages	1,672,644	47.8%	3,495,833
Payroll taxes & benefits	534,299	47.9%	1,114,557
Subcontracted services	110,106	34.0%	323,645
Staff development/conferences	50,244	83.7%	60,000
Travel	50,341	51.1%	98,440
Board expenses	6,371	34.4%	18,500
Telephone	29,018	52.3%	55,500
Postage	6,190	35.4%	17,500
Utilities	33,784	67.6%	50,000
Marketing	5,540	42.6%	13,000
Dues and subscriptions	6,174	30.9%	20,000
Auditing & legal fees	3,208	16.0%	20,000
Maintenance	43,728	56.8%	77,000
Rent and occupancy	197,215	49.9%	395,000
Insurance	9,101	50.6%	18,000
Supplies and other	47,079	42.3%	111,194
Equipment	5,832	29.2%	20,000
Equipment rental	50,214	50.9%	98,600
Classroom training	337,760	36.1%	935,384
Participant support	173,352	24.2%	716,866
OJT contracts/wage subsidy	10,131	12.8%	79,000
Participant Wages	39,717	25.0%	158,569
Participant Fringe	5,757	25.8%	22,297
Other training expenses	79	0.6%	12,300
Workforce Center Partner Billing	-2,947	19.64%	-15,000
	<u>3,424,935</u>	<u>43.26%</u>	<u>7,916,184</u>