

# SE MN Workforce Development Board

March 2, 2017, 1:00 PM  
Workforce Development, Inc.  
Rochester, Minnesota

## Minutes

**Members Present:** Guy Finne (Chair), Randy Johnson (Executive Director), Neva Beier, Aaron Benike, Jeff Custer, Dorothy Duran, Cheryl Gustason, Sarah Gutzman, Nancy Hoffman, Dave Niermann, Julie Nigon, Kris Pierce, Michelle Pyfferoen, Andy Toft, Tami Walker, Jim Wendorff, Jill Miller (Note Taker)

**Others Present:** Jen Bauer, Susan Boehm, Beth Christensen, Marsha Danielson, Sonji Davis, Jennifer Hamilton, Wanda Jensen, Karen Lemke, Mike Postma, Jinny Rietmann

Randy Johnson introduced Dave Niermann, Director of MN Job Service Field Operations at Department of Employment and Economic Development (DEED). Randy shared that Mike Haney has retired as both the Executive Director of the Winona Workforce Board and the DEED Job Service Manager. In the interim, Dave will be managing the Job Service in this region. DEED will be working with the Winona Workforce Board on a transition into a new role for DEED. Mike Haney had a dual role, and DEED wants to separate the two positions that Mike oversaw. As they work through that process, DEED does not plan to fill the Job Service Manager position for one to two months. In the meantime, Dave will be coming to SE MN Region three days a week during the transition. He emphasized that he wants to be a resource for this region and available to contribute to the WDB.

Introductions of all others in attendance were made. A quorum was present, and Guy Finne called the meeting to order. **Jim Wendorff moved to approve the March agenda and January meeting minutes, Julie Nigon seconded, and the motion passed.**

### **Program Reports**

#### **Management Committee – Cheryl Gustason/Randy Johnson**

- **Fiscal Report: (Attachment A)** Cheryl stated that there have been two changes since the last reporting period. Randy discussed that we received the Department of Human Services, Year 3 (Pathways to Prosperity Healthcare) Grant. He noted that we estimated that we would receive \$53,031. The actual amount we received was \$52,025; an error in our estimate. An adjustment of \$1,006 was made to the budget. Randy noted that we also received the formal notice of funds available for the SE Asian Economic Relief Grant. The grant is for \$100,000 over two years. He stated that we expect to expend \$45,000 of the grant prior to the end of the fiscal year. **Sarah Gutzman moved to approve the Fiscal Report, Jim Wendorff seconded, and the motion passed.**
- **Approve Targeted Jobs List:** Randy reviewed the updated Targeted Jobs list. He noted that there are now 115 targeted jobs on the list. Randy discussed that the list helps our counselors in determining what training they can approve at a higher level of funding. He examined the targeted job list in detail with the Workforce Development Board (WDB). The Targeted Jobs list will be available on the Workforce Development, Inc. (WDI) website and distributed to schools in the region. **Dorothy Duran moved to approve the Targeted Jobs List, Kris Pierce seconded, and the motion passed.**

#### **One Stop Partners – Dorothy Duran**

- Dorothy reported that the group learned that a One Stop Operator has to be submitted as part of our Workforce Innovation and Opportunity Act (WIOA) Plan. She stated that there now has to be a Request for Proposal (RFP) Process. WDI obtained a legal opinion, and our One Stop Partners could take on this role. Wanda Jensen reviewed the RFP for One Stop Operator Serving Southeast MN with the consortium. Dorothy discussed that Randy Johnson has been talking with an independent auditor who will collect sealed bids. We are required to send our process to DEED by March 31.
- **Dorothy shared other updates from the One Stop Partners meeting:** Dave Niermann introduced himself. He will be temporarily overseeing the responsibilities of Mike Haney, who recently retired. Neva Beier talked about the Affordable Care Act. Julie Nigon spoke about a separate RFP process for Adult Basic Education (ABE). Julie reported that she is unsure if there will be additional applicants. The form is due March 16. Nancy Hoffman has a new territory; Rice, Winona, Olmsted, Wabasha, and Goodhue counties. She is enrolling in all of those counties and has new partnerships with the Minnesota Veterans Home. Sonji Davis shared that her WDI offices in Rice and Steele Counties are now open four days a

week. There will be a Manufacturing Apprenticeship meeting. The WDI Bridge Mentors are working out well. Jakki Trihey and Sarah Gutzman are working on a safety plan for the Rochester office. Marsha Danielson spoke about Jeff McCabe, the new Director of Business and Industry Education at South Central College. Dorothy reported that MN State College (MSC) Southeast applied for MN Job Skills Partnership (MJSP) Grants and received two grants for healthcare. One grant will address the need for long-term CNAs, LPNs, RNs, in the Lake City area. This will involve on-site, internal training for existing employees. College faculty are going on-site to train. Dorothy reported that the college is partnering with Red Wing Ignite to develop a Maker Space, an industrial bay at MSC Southeast where the community will be able to access a range of manufacturing equipment and engineering resources. They are hoping to open this up to the community in the fall.

## **Director's Report – Randy Johnson**

### Best Places to Work (BPTW) Update

- Randy reported that the BPTW Banquet is on April 20<sup>th</sup>; with new Board member orientation taking place that afternoon from 3:30-5:00pm. The banquet will be held in the evening after the orientation.

### Workforce Innovation and Opportunity Act (WIOA) Timelines – Spring 2017

- Randy discussed that this spring is when all of the regional plans get approved. Our region includes our 10-county delivery area and Winona County. He noted that officers from both Boards meet to work together on common strategies. The regional officers are meeting again on March 14<sup>th</sup> in Rochester to put additional details into the regional plan and to determine how to measure ourselves against the plan going forward. DEED has redirected some leftover incentive money to support regional planning work. Randy remarked that a national consulting group called Maher and Maher was hired to guide our efforts. Some of the money was used for regional gatherings with Marnita's Table. Marnita's Table was consulted by DEED to provide the tools and structure for integrating better performance and outcomes around addressing equity and disparity.

### One Stop Operator Process

- Randy indicated that a One Stop Operator has to be submitted as part of our WIOA Plan. He noted that we will work with DEED on the details and competitive bidding process. Randy stated that WDI obtained a legal opinion, and our One Stop Partners/Consortium could take on this role. WDI will have to go through an RFP (Request for Proposal) process. This will need to happen in the next three months. We are required to send our process to DEED. Sealed bids will be sent to an independent auditor, who will open them and record the responses. An RFP Review Panel will convene to make recommendations, and our Joint Powers Board (JPB) will review recommendations and make the final selection.

### Adult Basic Education (ABE) RFP Review Panel

- Randy mentioned that Adult Basic Education (ABE) will be a part of a similar but separate RFP process as part of WIOA. WIOA states that there has to be a public process for ABEs to bid on their own funds and that our WDB should assist with reviewing the bids. The ABE RFP Review Panel will tentatively meet to review proposals on April 6<sup>th</sup>, before the WDB meeting, and bring their recommendations back to the WDB for a vote that same day at 2:00pm. Dave Niermann mentioned that the Winona Workforce Board is also assembling an ABE RFP Review Panel to review bids. He suggested that we coordinate a time for both the WDB and Winona Review Panels to connect before April 6<sup>th</sup> so that a joint recommendation from both groups can be presented to the WDB. Randy agreed. WDB members, Guy Finne, Neva Beier, Jim Wendorff, and Jeff Custer volunteered to be on the ABE RFP Review Panel.

### Regional Plan

- Randy supplied the WDB with a copy of the regional plan draft document. He reminded the Board that there is a regional meeting scheduled for March 14<sup>th</sup> to approve the tentative draft of the regional plan. Randy noted that Rick Roy from DEED and the Washington D.C. based consulting group, Maher and Maher, will be available to guide our efforts. We will have until March 31<sup>st</sup> to finalize and submit the plan. In order to move forward with this process, Randy asked the WDB to empower him, as the Executive Director, and the regional officers to continue to work on the regional plan and submit it to DEED by the deadline. **Jim Wendorff moved to empower the Executive Director and the regional officers to move the regional plan forward and submit it to DEED, Julie Nigon seconded, and the motion passed.** Guy Finne requested that we add an update and discussion of the WDI budget to the agenda of the April 6<sup>th</sup> meeting. He stressed the importance of spending some time talking about the shrinking financial resources of WDI and "what is on the horizon." He noted that there are challenges ahead. He stressed that we will need to become more strategic, as we can no longer rely solely on grants. Guy emphasized that we will need to get more industry investment in some of these projects.

## Other

- Randy Johnson noted that Roy Harley is not at the meeting today. Roy elected to give up his seat on the WDB, but remains as a member of the Management Committee as an ex-officio. Roy will be recognized for his years of service and contributions to the WDB at the April 6<sup>th</sup> meeting.
- Gordy Adamek, who filled the private Rice County seat representing Mercury Corporation of Faribault, passed away in early February. In memoriam, we sent a floral arrangement on behalf of WDI and WDB.

## Information Sharing

### MnSCU

- Dorothy Duran – Dorothy shared that there is an interim Chancellor starting on August 1<sup>st</sup>, 2017. MnSCU has been talking with legislators on a weekly basis regarding funding. MnSCU is requesting \$178 million in new funding over the next biennium. This is still being considered by the Governor. Dorothy reported that Charting the Future is alive and well. There is a focus on the system being more of an enterprise model in terms and customized training and working with business and industry. The Trump band on immigration “stirred up” a lot of concern from students and faculty. There has been a conservative effort to raise sensitivity, to reach out to students who come from other countries, and to make the college a safe environment for students.

### Business Service Specialists

- Jen Bauer – Jen spoke about the National Association of State Workforce Agencies (NASWA). She indicated that NASWA recently signed an agreement with LinkedIn. She indicated that if an employer is posting a job on MinnesotaWorks, it will also be available to LinkedIn users. Jen talked about job fair statistics. There was a Mayo Job Fair held last Saturday; 67 attendees were offered jobs. At the Hire Our Heros Job Fair, there were 677 resumes submitted, 85 interviews offered, and 5 job offers made. There was also a Retail/Customer Service Job Fair yesterday, and 33 employers were in attendance. There is a Construction and Trades Job Fair coming up on March 14<sup>th</sup>.

### Area Managers/WDI Staff

- Mike Postma – Mike nominated WDI for the Mower County Refreshed of the Year award, and WDI won the award. The award promotes wellness in the area.
- Sonji Davis – There is a manufacturing apprenticeship “School to Work Program” meeting on March 8<sup>th</sup> at the Owatonna High School. Colleges are starting to take notice and support this.

## Next Meeting

The next meeting will take place on Thursday, April 6<sup>th</sup>, 2017. Guy Finne indicated that the Project SEARCH students will attend the meeting to give an update on their progress.

**Aaron Benike moved to adjourn the meeting. 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: 28-Feb-17	Y-T-D Actual	% of Budget	Annual Budget
<b>Grants:</b>			
Adult Employment & Training	1,141,126	59.7%	1,910,543
Youth Employment & Training	649,321	59.1%	1,098,374
Dislocated Workers	1,084,926	57.8%	1,877,713
Reading Recognition	1,772	15.5%	11,400
	<u>2,877,145</u>	<u>58.7%</u>	<u>4,898,030</u>
<b>Fees for Service/Other:</b>			
Welfare Reform	1,718,308	57.7%	2,978,548
Custom Training	763	38.2%	2,000
Donations	3,591	35.9%	10,000
	<u>1,722,662</u>	<u>57.6%</u>	<u>2,990,548</u>
<b>Total Recognized Revenues</b>	<u><u>4,599,807</u></u>	<u><u>58.3%</u></u>	<u><u>7,888,578</u></u>
<b>Unrecognized Revenues:</b>			
Unbilled Welfare Reform	15,882	0.0%	0
Unallocated Indirect Costs	63,734	0.0%	0
	<u>79,615</u>	<u>0.0%</u>	<u>0</u>
<b>TOTAL REVENUES</b>	<u><u>4,679,423</u></u>	<u><u>59.3%</u></u>	<u><u>7,888,578</u></u>

**Changes Since Last Report:**

<b>P2P - DHS Year 3</b>	<b>(1,006)</b>
<b>SE Asian Equity Grant</b>	<b>45,000</b>
<b>Total Change</b>	<u><u><b>43,994</b></u></u>

**ATTACHMENT A****Workforce Development, Inc.****BUDGET to ACTUAL by programs/function**

From: 1-Jul-16 Thru: 28-Feb-17	Y-T-D Actual	Percent of Budget	Annual Budget
Salaries and wages	2,293,912	65.4%	3,509,195
Payroll taxes & benefits	733,107	65.5%	1,118,673
Subcontracted services	145,060	43.9%	330,495
Staff development/conferences	55,875	93.1%	60,000
Travel	61,334	62.3%	98,440
Board expenses	8,695	47.0%	18,500
Telephone	36,770	66.3%	55,500
Postage	7,309	48.7%	15,000
Utilities	43,415	67.3%	64,500
Marketing	6,185	47.6%	13,000
Dues and subscriptions	11,944	59.7%	20,000
Auditing & legal fees	4,183	20.9%	20,000
Maintenance	53,402	69.4%	77,000
Rent and occupancy	263,126	66.6%	395,000
Insurance	12,047	66.9%	18,000
Supplies and other	64,861	58.0%	111,839
Equipment	5,832	29.2%	20,000
Equipment rental	63,739	68.1%	93,600
Classroom training	529,690	60.1%	881,411
Participant support	213,574	30.0%	711,260
OJT contracts/wage subsidy	16,651	21.1%	79,000
Participant Wages	51,071	32.2%	158,569
Participant Fringe	7,404	33.2%	22,297
Other training expenses	276	2.2%	12,300
Workforce Center Partner Billing	-10,039	66.92%	-15,000
	<u>4,679,423</u>	<u>59.32%</u>	<u>7,888,578</u>