

**Workforce Development Board
Meeting Minutes
Tuesday, December 18, 2018
8:00AM - 9:30AM
The Builder's Exchange of Rochester**

Attendees: Mary Beth Artuso, Kyle Banks, Thomas Battley, Sergio Esteban, Adrian Hale, Ann Kowal, Gary Rogers, George Scharr, Timothy Shortsleeve, Stella Slaight, Jeff Adair, Romanda Gibson-Stevenson, Joseph Leone, Mark Rogacki, Patricia Stovall, Richard Turner, Barbara Weymouth

Absent: Dana Abramson, Alice Curry, Glen Jeter, Kevin Kelley, Kathy Miner, Joe Wesley, William Clark, Corinda Crossdale, Lynn Freid, Daniele Lyman-Torres, Dan Maloney, Danielle Maloy, Roosevelt Mareus, Todd Oldham, Jerome Underwood

Staff: Peter Pecor, Michael DeBole, John Premo, Lee Koslow, Antwan Williams, Viatta Carter, Kathy Ziegler, Marisol Young, Shawn Curran, Behiye Mansour, Theodore Jordan, Annette DiPalma, Vanessa Tassone, Mary McKeown, Jeewan Gurung, Michael Deoude

Guest: Craig Stevens, The Bonadio Group

Call to Order

The meeting was called to order by Peter Pecor at 8:03AM.

Introductions:

Approval of Meeting Minutes

A motion to approve the September 18, 2018 meeting minutes was made by Stella Slaight and seconded by Thomas Battley. The motion was carried unanimously.

Finance Committee:

Craig Stevens, The Bonadio Group Provided an Audit Presentation

A Workforce Investment Board Presentation Report was handed out and reviewed.

Craig Stevens reported that he met with the Executive Finance and Audit Committee in November and went through everything in detail. Today he will do a high-level review.

Craig referred to the first tab in the booklet to speak briefly about the overall audit process and that the board would have a chance to look at the financial statement, which looks pretty similar to last year's statement. There were no new accounting policies and the disclosures are consistent with previous years.

Craig stated the most important thing from our perspective is that the audit was very smooth and there were no difficulties in performing the audit. It went very smoothly with respect to Mike and Behiye and the information they provided to The Bonadio Group. Craig stated this is very important.

Craig also noted that in the package there is no management letter, no control deficiencies, nothing they felt would be important enough to put in writing with respect to weaknesses, not even internal control. The results of the single audit are The Bonadio Group's audit of our use of federal funds. There were no findings here either, which Craig stated is very important as well. All of these items with respect to the audit are very positive.

With respect to the first tab that includes the final financial statements, Craig mentioned, most importantly, the audit report on the first couple of pages is unmodified. Regarding the Balance Sheet on page 3, Craig noted a couple of unusual items, including the cash position last year was unusually high, which included a substantial advance on TANF Funds, noting a significant deferred revenue last year of \$630K in the liability section, stating that is the reason the cash position is much higher. Our position at the end of this year is much more consistent or comparable to previous years. Regarding the receivables, there was an increase in our federal receivables this year of about \$800K, up a little over \$200K from last year. There were no issues with collectability with respect to any of the receivables.

Craig stated the Balance Sheet is very healthy, including current assets at the end of this year being \$1.3M, Current Liabilities of \$730K. Craig stated RochesterWorks! continues to be strong financially at the end of the year.

Regarding the Statement of Activities on page 4, Craig noted the Revenue, in total about \$8.2M, down from \$8.6M last year, reflecting less funding from a few programs winding down. WIOA funding was down about \$590K, TANF funds did increase about \$230K, including some ups and downs, all in all about \$8.2M compared to \$8.6M last year. Craig stated a good job was done by Management in reacting to the decreases, the operating expenses were \$8.6M last year, \$8M this year. A lot of our programs are deficit funded, we incur the expense and then get reimbursement, in other areas that is not the case. Craig mentioned it was also stated at the Executive and Finance Committee Meeting that we did a great job in reacting to the cuts and managing expenses with respect to the changes in the funding available for RochesterWorks! Looking at our change in net assets this year, there was an increase of \$151K versus a decrease last year of about \$40K. From a financial perspective, it was a good year for RochesterWorks!

Regarding the Statement of Expenses on page 5, there was a small decrease in salaries and benefits. There was a big decrease in payroll taxes and benefits, noting contributions to the plan were suspended for a period of time, which resulted in most of this decrease in benefits provided to the employees. This benefit will be reinstated in January 2019.

Craig stated in closing that everything was positive, there were no findings, including the most important thing with respect to the use of the federal funds. The audit process continues to go very smoothly with respect to the work done by Mike and Behiye.

A motion to approve the 2018 Bonadio Group Audit Report was made by Thomas Battley and seconded by Patricia Stovall. The motion was carried unanimously.

Michael DeBole Provided a PowerPoint Presentation on Q1 2018-2019 Financial Initiatives

Michael DeBole began his presentation by thanking Behiye and RochesterWorks! staff for their efforts put forth this past year resulting in the type of report we received from Bonadio, as well as several other audits we had through the year.

Michael referred to Q1 Initiatives, this past quarter we had to transfer \$150K DW funds into Adult funds. The 1st quarter of the new fiscal year is when we use the 20% allocation carry over into the new fiscal year, due to the fact the federal government budget starts in October, so we have a lack funds, until the Federal Government releases the remainder of our allocations. The Adult funds being in higher demand in the first quarter, we asked for \$150K to be transferred out from Dislocated Worker funding to Adult funding. Mike is requesting approval from the Board to transfer funds per the WIOA regulations of New York State.

A motion to approve the transfer of funds from Dislocated Worker to Adult funds was made by Timothy Shortsleeve and seconded by George Scharr. The motion was carried unanimously.

Michael reiterated the information that Craig mentioned earlier in the meeting regarding the employer contribution of 3% for the 401K plan being reinstated as of January 1, 2019. This contribution had been stopped for the last 1½ years due to the lack of funding. Also, as of January 1st, any full-time employee that has been with RochesterWorks! for more than one year will be receiving a 3% merit increase. The merit increase was passed in the June 2018 meeting with the budget approval.

Michael also reported that currently for 2019, our WIOA funding is on track, we have about 70% remaining and doesn't foresee any future problems with it at this point.

Regarding the 2018 Summer Youth Program, we served 445 participants/students and spent about \$1.2M of the \$1.3M awarded to our account.

For 2019, our medical benefits ancillary costs were a modest 2-3% increase, with basically the Excellus premiums increasing a bit, but over-all they remained flat.

LEAP 2 sunset was September 2018. It was a 2-year program and we spent approximately \$460K of the \$500K, while serving 109 participants. Last October, the Monroe County Industrial Development Corporation awarded us a new grant for 1 year entitled Second Chance Monroe, similar to the LEAP program, with a goal of serving 75 participants.

Sunset for the Finger Lakes Hired program will be July 2019. It was a 4-year program that covered 9 counties and we have approximately \$780K left and are on track to spend the remaining funds for this grant. Thus far, we've served 924 participants, of which the goal is about 1,500.

Youth Committee:

Antwan Williams provided an update on Youth Services

Antwan's report is more of gratitude, now being an opportunity to report on some self-reflection in terms of where we've been and moving forward, also including his recent work anniversary with RochesterWorks! He credits his length of service here to working with a dynamic, skilled and diverse leadership team.

Regarding summer employment, RochesterWorks! has just released an RFP. There was a bidder's conference on November 26th and another one is scheduled for January 7th. The deadline for submission is January 30th. They've begun reaching out to employers for placement opportunities for the summer youth. Antwan will be reaching out to some of the board members to participate in the review process for the proposals.

Workforce Innovation Committee:

Performance Activity Report

Lee Koslow discussed Results of the Staff Review of Proposals for Work Experience Payrolling. Lee explained that Paid Work Experience is one of the strategies used in the workforce system to help get both Adults and Youth back to work. The way Paid Work Experience works, for the Summer Youth particularly it's temporary, it's an experience so they can gain some skills and some exposure to the workforce in specific industries or occupations. We contract out with a staffing company, so the Youth might be on site at a particular employer and working for that employer, but they're actually an employee of the staffing agency, that's their employer of record. With our Adult Work Experience, the goal is for the employer to try them out, known as a Work Experience Try Out, and then if they agree with our assessment that this would be a good hire for the Employer, keep them on either as a direct hire or with an On-the-Job Training grant. It's the same arrangement, we pay a staffing agency and the staffing agency is the employer of record for that try out or work experience. These work experience periods can last between 2-8 weeks. We'll contract out to a staffing agency and we'll pay them a mark-up on the hourly wage of the individual receiving the work experience. There is a significant amount of dollars involved, so we do a competitive bid. We are up for a competitive bid and will do 1 full procurement that will include our Adult programs, our Youth programs, including both summer and year-round Youth and any internal staffing needs that we might have.

After putting out the competitive bid, we received 4 responses and had a committee of staff to review these responses. Results included TES Staffing scored the highest, followed by RBA Staffing, Career Start, then Remedy. The committee recommended the high score (TES Staffing) getting the biggest chunk, which is the year-round Youth and the Summer Youth as well as the internal staffing for the Summer Youth Monitors, and as a secondary for all the other services. The benefit of contracting with multiple organizations is that if one, at some point, cannot handle the volume, a secondary provider can pick up on it. We're looking at possibly 310 Youth for these Work Experience Try Outs with a fee for service, so there is not a specific dollar amount, although we may have a huge TANF budget for the Summer Youth. For the year-round Youth, there will be a smaller budget for the Work Experience Try Outs.

RBA Staffing has been handling some of our Adults, particularly all in Monroe County, and the recommendation is for them to cover all of the Adult services, which will include 30 or more Work Experience Try Outs, depending on volume.

Career Start has experience working with offenders. The recommendation is for them to work with Work Experience Try Outs for the Second Chance Monroe Program.

The contracts will be for a term that will begin on January 4, 2019 and end September 30, 2019, with an option for up to three (3) one-year renewals for the following organizations: TES Staffing, RBA Staffing and Career Start.

A motion to approve the Proposals for Finger Lakes Hired Work Experience Payrolling was made by Stella Slaight and seconded by Thomas Battley. The motion was carried unanimously.

Adrian Hale declared a conflict of interest and abstained from this vote due to the Greater Rochester Chamber (parent corporation for RBA Staffing) participating in the bid.

Monroe County One-Stop Partners Quarterly Report

Lee introduced Pat Gooch from the Genesee Finger Lakes Regional Planning Council. Lee explained how the Board is responsible for convening about 15 different partner agencies into a One-Stop system, with the challenge of making the system better. There is a One-Stop Operator that we've contracted out through the Genesee Finger Lakes Regional Planning Council and they convene the One-Stop System Partners 4 times a year with a goal of making the system better. Pat's discussion included some of the progress that's been made on measuring the system and where we are at this time. He explained we have an MOU that started mid-2017, which included a challenge to measure continuous improvement to our One-Stop System Partnership. The Partnership made the decision to measure the number of co-enrollments in two or more partner programs per referral received, and employment at program exit. If the percentage of people that exited with employment goes up, then we will likely conclude that the system improvements are responsible, at least in part, for that outcome. At the next meeting, they will be reporting this data in a fuller set, you'll see the percentage of employment, from there they'll strive to increase that as a partnership.

Another item discussed was the Greater Rochester Day of Quality, where Lee and RochesterWorks! in partnership applied to have The Greater Rochester Quality Council come in and review a process for them. They submitted an application which was approved. Two quality engineers came in to RochesterWorks! and met with representatives of the partnership and determined how we could improve our system. What they really looked at was identifying how we increase the percentage of people who arrive at RochesterWorks! with referrals *and* who have received the service intended for them. Through an all-day workshop, they determined what the problems are with this process currently, how can we solve those problems and what are the solutions to implementing those problems. They also spent time identifying root causes, actionable items and solutions that could be put in place either that day or in the very near future to solve those problems. The impact they're hoping to address is that some of the issues were poor quality referrals. The methods of referrals were inconsistent and they want to standardize that. They want to improve the customer experience, so they're going to have several solutions that involve partner matrixes, workshops, training sessions, train the trainer sessions and other items to help program partner front-line staff understand what they need to do to properly refer people. That way, they get better customer service and ideally exit RochesterWorks! and One-Stop Partnership with employment.

Some root causes noted include loss of paperwork, scheduling errors for workshops and not knowing of other available services.

Career Center Report

Viatta Carter reported on recent activities in the Career Center, which include 6,000+ visitors in the last 10 months with staff obtaining a high level of customer service and that staff have been able to maintain the volume of data entry involved. The Career Center continues to offer Career Navigator, 5 Steps to Rapid Employment, Veteran's assistance, Ticket to Work, and a variety of workshops at the Career Center. The Goodman Street Career Center continues to work with Ibero, specifically with the individuals affected by Hurricane Maria. RochesterWorks! staff from the Goodman Street Career Center goes to Ibero every week to provide services to these individuals, and then a referral is made so that staff in the Career Center can continue to work with the individuals on their job search and employment needs.

RochesterWorks! staff continue to collaborate with many community agencies as well as provide an overview of RochesterWorks! services to community agencies' staff and customers. Looking ahead, one of the goals of the Career Center is to continue to offer professional development opportunities to staff to enhance their comfortability in working with various populations (i.e. individuals with disabilities, ex-offenders, transgender). Another goal is to evaluate the amount of time customers wait to be seen. RochesterWorks! was awarded the Second Chance Monroe Grant and is in the process of hiring staff and developing processes and procedures for the grant. The Career Center will be partnering with Willow in providing job readiness workshops to their survivors. The Career Center is also developing job readiness videos which will be housed on the RochesterWorks! Virtual Career Center website.

Business Services Update

John Premo reported on an event in which RochesterWorks! was part of a group of organizations that recently hosted a Town Hall of Business on October 23rd. The idea was to bring together businesses, decision makers, HR professionals, supervisors, etc. to discuss the issues with substance abuse and the impact the opioid crisis has had on the community, most specifically on business, its workers and its workers' families. Approximately 75 individuals attended the event which included a number of speakers. The meeting wanted to bring awareness to the business community, with an underlying intention to focus more on the impact on the individual's family and loved ones. The actual purpose and outcome of this event was to have businesses walk away knowing that they had resources and opportunities to address these issues.

John also mentioned the 11th Annual Career Fair will be held at MCC on January 16th from 10:00am-2:00pm. We had space for 70 businesses to attend and those slots were filled in 4 days.

St. Paul Career Center Report

Kathy Ziegler reported on one of their end of year successes. Their largest program is the Work Experience Program. Monroe County Department of Human Services has many individuals receiving benefits doing some type of volunteer work through the Work Experience Program, and that is what the St. Paul Street Career Center is tasked with. Kathy's office has 2 individuals that are very successful, that came in through the Work Experience Program. Jeewan entered the program with limited English and knowledge of our culture. He did a very good job while in the program. He was then hired on a part-time basis and now works on a full-time basis. Michael also entered the program and did his assignment right in the office. He was later hired on a part-time basis and now works on a full-time basis. Both staff members spoke briefly on their positive experiences with the Work Experience Program and now being full-time employees with RochesterWorks!

Director's Report:

A. Annual Report

Peter Pecor included the new 2018 Annual Report for everyone in attendance. Peter explained the report has been created in a new format and will be used as a tool when we go out in the public. Some revisions will be made to this edition and as board members, please advise if you have any changes that need to be addressed. Peter referenced the most important item in the report is the number of individuals we have served, noting if we had additional resources, we would have served even more individuals. Over 5,400 job seekers attended recruitment events planned by Business Services, and in total we have served over 19,000 individuals this year. As mentioned at our last meeting, we changed our website, and if you look at the number of people

who have visited our site and how many times they've seen it, it speaks favorably about how people feel about our organization.

B. Conflict of Interest Form

Also included for everyone was the Policy on Conflicts of Interest and Disclosure of Certain Interests and the Conflict of Interest Information Form. Please review and fill out the Conflict of Interest Information Form. Completed forms are to be returned to Peter Pecor.

C. Board Schedule - 2019

The 2019 Meeting Schedule was included in the today's meeting materials.

Other:

In closing, Sergio Esteban shared a message that he gave his employees a few years ago. "Throughout the year and like today, we look at our reports, numbers, transferring funds, successes, and other functions, which are very important, but do we truly realize what this is all about? That is not what this is about. That is the result of our work, meeting goals and requirements." Sergio then asked the following of Board members and staff today, "Let's realize what we are here for. What we are here for is to add value to what we do. That is really the goal of the Board. If we add value to what we do, all the results that we celebrate, record and tell people will come by themselves. Please think about how we can add more value as board members. It's not about the numbers, the numbers are the result, the numbers are not what is guiding us to do what we do. We have a mission and a vision. At the end of the day, if we all think of how we can add value to everything we do in the coming year, maybe something new you haven't done before as a Board member or an employee, the numbers will come."

Adjournment 9:27AM

2019 Meeting Schedule:

March 19, 2019

June 18, 2019

September 17, 2019

December 17, 2019

Approved

Peter C. Pecor

Date

Submitted by: Mary McKeown

Reviewed by:

Peter Pecor 01/17/19

Michael DeBole 1/18/19

Antwan Williams 1/18/19

Lee Koslow 1/22/19

Viatta Carter 01/18/19

John Premo 1/23/19

Kathy Ziegler 01/18/19