



Central Pennsylvania Workforce Development Corporation

Workforce Development Board (WDB) and
Local Elected Officials (LEO) Board

Joint Meeting
December 13, 2017

The Central Pennsylvania Workforce Development Corporation's Board of Directors (WDB) and Local Elected Official (LEO) Board held a joint meeting on Wednesday, December 13, 2017 at Union County Government Center, Lewisburg, Pennsylvania.

WDB Members Attending:

Jay Alexander
Sue Auman
Lisa Brown
Annette Camuso-Sarsfield
Dean Girton
KayLynn Hamilton
Bruce Jones
Keith Koppenhaver
Lynn Kuhns
Michele McCardle
Jim Nemeth
Jim Stopper
Susan Swartz
Todd Taylor
Suzanne White
Dave Zartman

WDB Members Excused:

Jamie Aurand
James Beamer
Steve Bennett
Steven Stumbris

LEO Board Members Attending:

Joe Kantz, on behalf of Malcolm Derk
Stephen Dunkle
Kenneth Holdren
David Kovach
John Mathias
Richard Mirabito
Michael Pipe
Richard Shoch
Robert "Pete" Smeltz

WDB Staff Attending:

Alexa DeBaro
Sandie Fairman
Brooke Gessner
Lisa Loveless
Korrie Lucas
Erica Mulberger

Guests Attending:

Megan Bair
Mike Baron
Carol Clymer
Adele Craig
Margie Eby
Judy Fitzgerald
Sarah Gibson

Mike Glazer
Cheryl Johnson
Barry McLaughlin
Emily Mrusko
Richard Parry
Nancy Smithbauer

Stacie Snyder
Mike Vail
Jill Walter
Susie Weller
Tom Werstler
Gale Zalar

Call to Order and Welcome

Annette Camuso-Sarsfield, WDB Chair, called the meeting to order at 10:02 a.m. and welcomed everyone. She stated there are two meetings occurring simultaneously; the Workforce Development Board and Local Elected Official Board will each take actions from their respective agendas. Annette acknowledged and welcomed Mike Glazer, representative of U.S. Congressman "GT" Thompson.

Commissioner Pete Smeltz, LEO Chair, welcomed all members and guests. He confirmed a quorum and shared he will be attending the Governor's Cabinet Meeting scheduled for 1:00 p.m. at Lock Haven University.

Public Comment

No comments were made.

WIOA Adult Basic Education Presentation

Erica Mulberger, CPWDC Executive Director, introduced Mike Vail, Director of Career Pathways with the Penn State Institute for the Study of Adult Literacy, while directing focus to presentation materials.

Mike welcomed everyone and expressed thanks for the opportunity to provide information about the valuable Adult Basic Education services available in the local area in accordance with Title II of Workforce Innovation and Opportunity Act (WIOA). He shared information about the five providers in the Central Region as well as eligibility criteria and performance outcomes for 1,440 adult learners served. Mike explained Title II providers contribute to and share program goals with the entire PA CareerLink[®] system such as placement in employment. Along with outcomes related to earning a high school equivalency, Title II is expert in helping all individuals improve basic skills needed for workplace success. Mike explained collaborative efforts with CPWDC, including specialized classes to prepare job seekers with the basic skills required prior to entering a training and customized instruction to meet industry needs. Further, Mike discussed integrated education and training (IET) designed to provide basic skills instruction simultaneously with occupational training, accelerating learning and increasing the likelihood of success. Mike shared several success stories of participants enrolled throughout the Central Region.

PA CareerLink[®] Consortium Update

Cheryl Johnson, Executive Director of the Private Industry Council of the Centre Corridor (PICCC), presented on behalf of the PA CareerLink[®] Operator Consortium. She began by providing an overview of the responsibilities and functions required of the Operator and reported on accomplishments to date including the hire of a new PA CareerLink[®] Administrator for Mifflin and Centre counties and the successful certification process for the six Central Region PA CareerLink[®] facilities and The Link. Future goals include evaluation of services as the Operator strives for continuous improvement per the direction of CPWDC.

WDB Updates and Action Items

- ***Dean Girton made a motion to approve the minutes from the September 13, 2017 joint WDB/LEO Board meeting. Keith Koppenhaver seconded the motion. The motion was unanimously approved.***
- ***Dave Zartman made a motion to approve the Consent Agenda Action Items. Jay Alexander seconded the motion. The motion was unanimously approved.***

WDB Updates and Action Items

Audit/Finance Committee

Jim Stopper, Audit/Finance Committee Chair, provided the following updates.

Fiscal Year 2018 Expense Reports through September 30, 2017

The reports are for the first quarter, therefore the anticipated expenditure rate is 25%.

Jim presented the Contract Expense and Obligation Report showing the total funding available, amount expended, and amounts obligated and unobligated for active funding streams.

The CPWDC Operating Budget to Actual Report shows an overall expenditure rate of 22.47% of its operating budget. Salaries and benefits were less than budgeted due to staff vacancies while several line items, including memberships, vehicle costs, and computer services were over the 25% anticipated expenditure rate due to

annual purchases that are completed at the beginning of the year. Jim further pointed out equipment and furnishings are over budget due to necessary technology equipment for The Link (such as accessibility software) and equipment needed to keep the network secure.

Jim explained the Consolidated RSAB Expense Report shows the total expenditures and revenue for the PA CareerLink® sites. CPWDC is working towards a settlement agreement with Office of Vocational Rehabilitation (OVR) for the FY17 funds owed and initial steps for an agreement with OVR and Unemployment Compensation (UC) for FY18 are taking place. Jim pointed out program income earned from providing fingerprinting services at PA CareerLink® Clinton County explaining this service has ended since the physical space no longer meets privacy requirements of the new fingerprint service provider.

The Subcontractor Budget to Actual Comparison shows expenses for the contracted service providers and Jim noted the following exceptions to the 25% anticipated expenditure rate: CSO's In-School Youth (ISY) contract which has a start date of October 1, SLIP which ends in December 2017, and the Business and Education Grant which expires March 2018. Jim directed focus to CSO's Operating budget; Adult, Dislocated Worker, and Rapid Response expenses related to the job seeker services contract are higher than the anticipated 25% expenditure rate. CSO anticipates additional funding is necessary in order to fulfill their contract obligations. Jim explained CPWDC requested additional information from CSO's management regarding the overage and how they propose to limit it without negatively impacting services to jobseekers as per the contract which was awarded on a competitive basis. The Audit/Finance Committee will review CSO's request in further detail and discuss appropriate action.

Jim pointed out Central Susquehanna Intermediate Unit (CSIU) has chosen not to report costs for the first quarter while CSIU was in the process of negotiating their indirect cost rate with the Department of Education; CSIU did begin invoicing in October.

FY18 Consolidated Training Contract Obligations

Jim reported as of November 30th, 69 participants have been approved for individual training account (ITA) contracts and 13 for on-the-job training (OJT). Approximately \$40,000 is available to train eligible Adults for the remaining 6 months of the fiscal year while \$197,000 is available to train Dislocated Workers. Further, Jim reported CPWDC has been notified Rapid Response funds in the amount of \$277,912 will be available this year to serve Dislocated Workers. Due to having a significant amount of available training funds for Dislocated Workers while funds available to train Adults are low, Jim explained CPWDC staff recommends submitting a request to the PA Department of Labor and Industry to transfer \$135,000 from Dislocated Worker to Adult.

- ***Jim Stopper made a motion to request a transfer of \$135,000 of program year 2017 WIOA Dislocated Worker funds to program year 2017 WIOA Adult funds. Dave Zartman seconded the motion. The motion was unanimously approved.***

Fiscal Year 18 Budget Update

Jim reported an increase in FY18 revenues in the amount of \$47,756; adjustments represent a rescission of Adult and Dislocated Worker funds across the state and additional Industry Partnership Sustainability funds received.

CPWDC's share of the RSAB budget decreased due to UC contributing additional funds along with added funding from Pennsylvania College of Technology, representing Perkins.

A portion of CSO's Business & Education Partnership funds were moved from CSO to Other Service Providers to account for a Student & Educator tour that was paid directly to the school instead of through CSO.

Jim stated unallocated amounts increased by \$47,429 due to the changes mentioned.

Single Audit

CPWDC is coordinating with Young, Oaks, Brown & Company to have the FY17 single audit completed in January 2018.

The Audit/Finance Committee is anticipated to meet in late January 2018.

Governance Committee

Dean Girton, Governance Committee Chair, reported the Committee had not met since the September WDB/LEO Board Meeting but had previously discussed recommendations for a Workforce Development Board Chair. With Annette Camuso-Sarsfield's term coming to an end and the prior resignation of the Vice Chair, the Committee recommended, Erica approach Jay Alexander, General Manager of Wayne Township Landfill regarding his

interest in the role. Jay was originally appointed to the Workforce Development Board in May 2013, became Chair for the Youth Council in March 2014 and presently fills that role. Jay is an active participant on the Executive Committee and has attended multiple meetings alongside CPWDC staff to inform educators and other community stakeholders about the services available to youth, adults, and businesses alike through the Central Region PA CareerLink®. Dean made note of Jay's passion for workforce and building up the community.

- ***Dean Girton made a motion to elect Jay Alexander as Workforce Development Board Chairperson to serve from January 1, 2018 to December 31, 2019. Bruce Jones seconded the motion. The motion was unanimously approved.***

Meeting Schedule

Dean stated that due to new membership and conflicts with other priorities, CPWDC will need to change the meeting schedule for 2018. He thanked all those who participated in the recent Doodle Poll and reported survey results revealed that a more extensive poll will be required and will be forthcoming. In the meantime, Board members were asked by show of hands if they had a preference with keeping the meetings at a 10:00 a.m. start time or if they could consider a 1:00 p.m. start time; nine members indicated they would consider a 1:00 p.m. start time. Dean expressed thanks to everyone for their patience as staff tries to accommodate the majority of the membership.

Looking Ahead

Dean reported the Vice Chair position remains vacant and the Committee will seek WDB private sector members for candidates. The position is an initial two year role that will transition into an additional two year role as the Chairperson who will then serve another two years as Past-Chair; a six year combined total commitment. Interested parties were asked to contact Dean or Erica.

Local Management Committee (LMC)

Korrie Lucas, CPWDC Senior Operations Manager, provided updates from the November 14, 2017 meeting on behalf of Committee Chair Steve Bennett.

Incentive Policy

Korrie indicated a strong incentive policy is in place designed to help participants get what they need related to transportation, tools, uniforms, and items that individual's *need*. She further explained the Department of Human Services (DHS) has suggested areas have had success in keeping participants engaged by considering what individuals *want* as well. The LMC reviewed a proposed policy that included feedback from CPWDC staff, the provider, CSO, and most importantly, EARN participants. Korrie explained the proposed addition of incentives grounded in 2-Generation philosophies are designed to encourage positive family interactions and engage parents and children in fun, safe activities they may not otherwise experience as part of an overall strategy to increase performance.

Korrie reported the Committee took action to approve changes to the EARN Incentive Services Policy contingent upon an available budget. In accordance with DHS regulations, EARN performance funds will be used and as a first course of action, CSO is reaching out to potential sponsors who might be willing to provide discounts or donations. The Audit/Finance Committee along with the Executive Committee will determine an appropriate funding strategy before the policy is implemented.

- ***Dean Girton made a motion to approve changes to the EARN Incentive Services Policy to be implemented upon available budget. Michele McCardle seconded the motion. The motion was unanimously approved.***

Enrollment Rate

Korrie explained the County Assistance Office (CAO) determines whether an individual requesting TANF must report to the EARN program. It is the responsibility of CPWDC's EARN subcontractor to successfully enroll the clients the CAO refers. The enrollment rate is approximately 65%; 132 unique people "failed to report"; meaning they did not successfully enroll. Korrie shared that the LMC has held a number of discussions regarding strategies that might help EARN staff better engage CAO referrals to increase the number of successful enrollments; the LMC determined CPWDC would release a request for proposals (RFP) for professional production companies to create brief, high quality videos in which EARN participants past or present share their story and their experience with how EARN has helped them improve their lives and the lives of their children. CPWDC released an RFP on November 1st and received several proposals in which Steve Bennett along with three CPWDC staff assisted in

the review and rating process. The outcome of the process determined one proposal aligned best with the intent of the RFP, included sufficient evidence of expertise and had a reasonable and comprehensive budget. EARN performance funds will be used for the proposed project.

- ***Bruce Jones made a motion to award a contract to Orionvega, LLC to complete all aspects and stages of work involved in creating and delivering 3 videos, each 3-5 minutes in length, to help improve enrollment in EARN with a budget not to exceed \$14,575. Dave Zartman seconded the motion. The motion was unanimously approved.***

LMC Meeting Structure

Korrie stated per a newly revised DHS EARN Manual, there is an expectation future LMC meetings be less focused on EARN and performance and more focused on collaboration and problem solving with community agencies for all TANF recipients. In order to be compliant, changes will be implemented in early 2018, including to invite a widely expanded list of agencies to each meeting. In addition, CPWDC will revisit the structure of the LMC to assure voting members are those who should have responsibility in making decisions about CPWDC programming and funding rather than all new DHS mandated members. Further discussion regarding this matter will be forthcoming.

The next LMC meeting is tentatively scheduled for March 20, 2018.

Personnel Committee

Dave Zartman, Personnel Committee Chair, reported the approved CPWDC budget includes a merit pool of 3% for staff effective January 1, 2018. Merit increases are based on individual performance with individual amounts to be approved by the hiring manager and Executive Director up to 4.5%. Per the Salary Management & Administration Policy, the Executive Director can approve a performance increase greater than 4.5% with approval from the Personnel Committee. Dave explained that while merit increases are approved within the CPWDC budget, historically the WDB has taken action to specifically approve of the merit pool increase.

- ***Dave Zartman made a motion to approve a 3% increase for CPWDC staff for calendar year 2018 effective January 1, 2018 using performance to determine the percent of the increase awarded on an individual basis. Jay Alexander seconded the motion. The motion was unanimously approved.***

Policy & Performance Committee

Erica Mulberger, CPWDC Executive Director, reported the Policy & Performance Committee met on November 15, 2017 and provided the following updates on behalf of Committee Chair Jim Beamer.

Exit Report

Erica reviewed the report showing Adult and Dislocated Worker Outcomes for participants who exited in program year 2017 during the period July 1 - September 30, 2017. Organized by subcontracted service provider, Erica reviewed data including a total of 111 exits by CSO of which 60% of non-training exits were with employment while 64% of training exits were with employment. TIU had 35 total exits of which 79% of non-training exits were with employment and 100% of training exits were with employment. Erica extended kudos to both CSO & TIU regarding exit outcomes and continuous improvement.

Adult Priority of Service Report

Erica stated the Pennsylvania Workforce Development Plan requires at least 51% of Adults who access individualized career and training services be in a priority of service (POS) category. Those considered statutory POS are low income, receiving public assistance, basic skills deficient, or veteran status. In the first quarter of program year 17, 68% of Adults met statutory POS and another 8% met locally defined POS, exceeding requirements. Erica further reviewed data regarding level of education and outcomes for the POS Adults served.

OJT Policy Changes

Erica reviewed changes the Policy & Performance Committee approved for the CPWDC OJT Policy at their November meeting. In detail, Erica presented Committee recommendations to: 1) allow for work-from-home OJT positions on a case by case basis, 2) use individual income rather than family income to determine OJT eligibility, 3) allow an individual without a high school diploma/equivalency to pursue an OJT if co-enrolled with a Title II Adult Basic Education provider with a plan towards earning an equivalency.

- ***Suzanne White made a motion to approve changes to the CPWDC On-The-Job Training Policy as presented. Jim Nemeth seconded the motion. The motion was unanimously approved.***

Monitor Report

Erica provided highlights of CPWDC's Report of Monitoring Activity between September and November 2017 including two visits to OJT employees in which it was found the individuals completed their OJT terms and have been retained by their employer. Presently there are 115 state approved training programs available for eligible Adults and Dislocated Workers who seek funding assistance from the PA CareerLink®. Erica reported the Bureau of Workforce Development Administration (BWDA), Pennsylvania Department of Labor & Industry monitored CPWDC's fiscal operations and administration through a remote monitoring followed by an on-site visit on November 30th and December 1st. A report is forthcoming, however no major findings were included in the exit interview. Erica noted the two representatives who conducted the on-site visit were appreciative of well-organized files maintained at CPWDC as well as externally from providers.

PA CareerLink® Certification Process

Erica explained in alignment with WIOA, the Pennsylvania Department of Labor and Industry has dictated that every PA CareerLink® site be certified by its local Board by December 31st in order to remain operational under the PA CareerLink® brand. CPWDC staff used state issued guidance to develop a monitoring tool used to help determine whether required criteria is in place at both our hub and affiliate locations as well as The Link. Sandie Fairman, CPWDC Senior Compliance Monitor, and Cheryl Johnson conducted an on-site monitoring to assure compliance. Based on results presented at the Executive Committee meeting held November 3rd; a motion was passed certifying Lycoming, Mifflin and Northumberland/Snyder/Union locations as comprehensive sites; Clinton, Centre and Columbia/Montour locations as affiliate sites; and The Link certified as a specialized site. Erica presented certificates to Cheryl to distribute to each PA CareerLink® office and The Link recognizing their certifications.

Youth Council

Jay Alexander, Youth Council Chair, presented the following updates.

In-School Youth (ISY) Contract

Jay stated the subcontracted provider, CSO, is working with high schools in various ways including to assist efforts to gain involvement from area businesses. In cooperation with the PA CareerLink® Business Services Team (BST), ISY staff assisted Williamsport Area High School as they hosted a series of luncheons for businesses to learn about the Career & Technical Education program and to highlight the skills their students' receive. ISY and the BST are also working together to help schools coordinate tours of local businesses for students and teachers to gain further insight of career opportunities being offered and the skills required to meet those opportunities.

Out-of-School Youth (OSY)

Jay reported there are two contracts currently in place; Central Susquehanna Intermediate Unit (CSIU) is the provider covering Columbia, Montour, Northumberland, Snyder and Union counties while ResCare Workforce Services is the provider for Centre, Clinton, Lycoming and Mifflin counties. Jay reported CPWDC staff continuously monitors the compliance and quality of both contracts. He reported concerns with ResCare's contract were shared with the full WDB at the September meeting, including that ResCare was placed on probation August 7th and received a clear list of objectives necessary to resolve concerns. Jay reported evidence ResCare cannot meet the terms of the contract and since being placed on probation, staff has identified additional significant concerns. Jay noted staff emailed the WDB and LEO regarding the concerns on November 30th. ResCare was notified on December 4th their contract will be terminated effective March 16, 2018. ResCare's budget will be reduced since it had been awarded to cover planned expenses through the end of the program year.

- ***Jay Alexander made a motion to terminate ResCare Workforce Service's Out-of-School Youth contract based on performance effective March 16, 2018. Dean Girton seconded the motion. The motion was unanimously approved.***

Jay reported a request for proposals for Out-of-School Youth Services in Centre, Clinton, Lycoming, and Mifflin counties was released December 4th. Proposals will be accepted through January 5, 2018. An Evaluation

Committee will be formed, members of the Executive Committee and full Workforce Development Board are invited to volunteer and contact Erica or Korrie to do so. The anticipated contract start date is February 5, 2018 allowing time for the selected provider to onboard staff with full OSY services to begin March 19, 2018. The original contract will be awarded through June 30, 2019 with option to extend annually through June 30, 2020.

- **Jay Alexander made a motion to allow CPWDC staff to negotiate with respondents for proposals for WIOA Title I Out-of-School Youth Services as directed by an Evaluation Committee with final approval to be determined by the CPWDC Executive Committee. Lynn Kuhns seconded the motion. The motion was unanimously approved.**

Youth Council membership is currently under review; it is anticipated a meeting will be held in early 2018.

LEO Action Items

Commissioner Pete Smeltz acknowledged Annette Camuso-Sarsfield, expressing thanks for her dedication and service as WDB Chairperson noting the pleasure it has been to work with her. Pete recognized Jay Alexander and extended congratulations regarding his new appointed role as WDB Chairperson commencing January 2018.

Pete noted the LEO Board notes from the September meeting were emailed in advance. He called for the following motion to be made.

- **Steve Dunkle made a motion to approve the LEO Minutes from the September 13, 2017 meeting. Kenneth Holdren seconded the motion. The motion was unanimously approved.**

Executive Director's Update

Erica Mulberger, CPWDC Executive Director, provided the following updates.

Grant Updates

Erica reviewed the status of grants, including that two applications in the amount of \$25,000 each were submitted in response to a FY2017-18 Industry Partnerships Grant in order to further develop Next Generation Sector Partnerships focused on Advanced Manufacturing and Healthcare. Next Generation Sector Partnerships are employer led with support and follow-up from workforce development, economic development, education, and community organizations to collectively help address sector defined needs to compete and thrive in the Central Region. Erica shared a Next Generation Sector Partnership meeting for Advanced Manufacturing is scheduled for January 24, 2018 with high level executives of manufacturing companies located within the 9 county region invited. Ronn Cort, President & COO of Sekisui SPI, and Ron Bargo, Vice President of Operations for Videon Central, Inc., have agreed to be sector champions leading the meeting. Expanding on the business-led nature of the meeting, Erica explained she and other public sector individuals will attend in listening mode only while the company leaders network and collaborate, discuss ideas and concerns, and identify possible solutions or needs regarding economic growth. Immediately following the meeting the public sector will meet to debrief and discuss how issues shared by the manufacturing leaders might be addressed. Erica reported a similar meeting will take place in March for the healthcare sector.

Erica also reviewed a grant application for Engage! submitted December 8, 2017 by SEDA-COG on behalf of the Central PREP Region. The grant will develop strong and regular interaction with specific companies as part of a statewide business retention and expansion program designed to help companies identify needs and match them with resources so they are competitive and successful in the local region. As a partner in the grant, CPWDC and TIU BST members will conduct interviews of C-Suite executives from 12 companies and then serve as an ambassador to assure needs are addressed and available resources are utilized.

Labor Market Information

Erica referenced the comprehensive labor market information included in the meeting packet and available on CPWDC's website, including unemployment rates by County.

Issues to Watch

Erica shared information on proposed House Bill 1915 which amends the Unemployment Compensation (UC) Law to provide transfers of a portion of employee contributions to the Service and Infrastructure Improvement Fund (SIIF) SIIF for operational purposes to support UC system administration and technological upgrades to the UC benefit delivery system over a four year period. The bill expresses intent for the Department of Labor and Industry to end reliance on transfers to SIIF.

Erica shared new guidelines from the Department of Labor and Industry in regard to the electronic upload of documents used to validate participant eligibility. Documents are currently collected and maintained in hard copy form and are sensitive in nature including such things as birth certificates, social security cards, identification cards, and proof of income. Erica expressed concerns regarding potential for a breach in the network and the importance of assuring confidential documents are maintained as such. The network is not currently encrypted at each point involved in the upload being required. For example, encryption is required from the scanner, to the computer, and to the online system of record. Erica also shared concerns related to the cost of IT services necessary to assure security as well as additional costs related to staff time individually uploading and scanning each document for every individual enrolled in programming. Erica recommended CPWDC take all measures to make sure the PA CareerLink® sites are equipped with proper network security to safeguard individuals' personal information prior to implementing the process. Joe Kantz concurred sharing that his county unfortunately experienced a security breach after implementing a new state process and his office is still dealing with issues related to that breach; he thanked Erica for her carefulness to secure and protect vital information. Susan Swartz shared that OVR implemented electronic files for clients some time ago and that the process works well; it was noted OVR uses a secure state network for the upload of information which is not available to Title I.

Open Discussion

None.

Date of Next Meeting

The next meeting is to be determined. The Executive Committee will meet February 2, 2018.

Adjournment

The meeting was adjourned at 11:42 a.m.

Respectfully submitted,

Lisa Loveless

Administrative Assistant