

SE MN Workforce Development Board

December 6, 2018, 1:00 PM

Workforce Development, Inc.
Rochester, Minnesota

Minutes

Members Present: Randy Johnson (Executive Director), Dan Belshan, Jeffery Boyd, Shelly Caldwell, Brian Cashman, Jeff Custer, Guy Finne, Jim Kingsley, Laura Link, Marleen Lundberg, Erin Main, Mandi Morrissey, Kristy Ruble, Joy Watson, Jim Wendorff, Jill Miller (Note Taker)

Others Present: Susan Boehm, Beth Christensen, Sonji Davis, Barb Embacher, Jennifer Hamilton, Kelly Hansen, Wanda Jensen, Dan Nash, Mike Postma, Jinny Rietmann, Jody Schaber, Karla Tauer, Molly Titchenal, Jakki Trihey, Jennifer Wilson

A quorum was present, and Guy Finne called the meeting to order. Introductions were made. **Joy Watson moved for consent of the December agenda; Brian Cashman seconded, and the motion passed. Jim Wendorff moved for consent of the November meeting minutes; Kristy Ruble seconded, and the motion passed.**

Program Reports

Management Committee – Laura Link

- Fiscal Report: (Attachment A). We are 31% through the fiscal year. The PY18 budget projection is \$7.9 million. Expenses came in as planned, and line items look good. We are on track and in good shape. The audit is underway. The auditors will present the audit report to the Boards in March. **Jim Wendorff moved to approve the Fiscal Report; Joy Watson seconded, and the motion was approved.**
- Workforce Development Board (WDB) Member Requirements & Term Limit Policy Letter
Much of the information stated in the policy letter is also referenced in our Corporate By-Laws, but needs to be expanded in light of a new Federal regulation and State of Minnesota policy. Randy Johnson reviewed a draft of the expanded policy, making note of the following:
 - Vacancies must be filled within 90 days of the date the vacancy occurs. In the event that a vacancy cannot be filled within 90 days, a waiver must be requested in writing from the Department of Employment and Economic Development (DEED) with an explanation of why a vacancy was not filled and a description of the process underway to fill the vacancy.
 - Diversity: Any time a vacancy occurs, the first priority in the nomination process is to select individuals that reflect the race, ethnicity, gender, disability, and geographic diversity of Southeast Minnesota. Similarly, no existing member of the Workforce Development Board (WDB) will be dismissed from the Board because of their race, ethnicity, gender, or disability. Vacant seats of the Board shall not remain open for any extended period of time due to a lack of diverse applicants. A deliberate and intentional effort will be made to recruit diverse and under-represented populations to be members of the subcommittees and taskforces of the Board.
 - Term and Term Limits: No WDB member shall occupy a seat on the Board for more than five full consecutive terms or eighteen years total; officers of the WDB shall not hold the same Board officer title for more than three consecutive terms or eight years total. Randy noted that Board seat could be held by a different person at the same company or we could fill the seat with a different company.

The Management Committee motioned to forward the item to the WDB with a recommendation for approval of the expanded policy letter. **Motion to approve the expanded policy letter as written and presented by Jim Wendorff; Mandi Morrissey seconded; and the motion was approved.**

Director's Report – Randy Johnson

Review of Taskforce & Subcommittee Membership Rosters

- Randy discussed our WDB subcommittee schedule, including sectors and taskforces that Board members can participate in.

Action Plan Worksheet for Taskforces & Subcommittees

- Randy indicated that through the years, Board members have asked how they can be of help to get better immersed in our work. He provided an "Engagement Survey" handout to Board members asking them to choose one taskforce and sector they would like to be a part of in 2019. He noted that if they do not have a preference, we can simply add them to one of each, as there are some with fewer members.

"Time and Talent" Sheets for WDB Members

- Randy outlined the second portion of the "Engagement Survey" handout. He indicated that another way Board members can get involved is through time and talent opportunities. He reviewed the handout, which was divided into three categories: work, wealth (either personal or corporate giving), and wisdom. Randy asked Board members to return the handout before they leave the WDB meeting today. Jill Miller will e-mail the handout to those Board members not in attendance today.

Agenda for January WDB Meeting and January 11th "State of the Workforce" Forum

- On Friday, January 11th, we will be hosting a regional "State of the Workforce" Forum and Luncheon. This will be in place of the regular WDB meeting, which is usually held on the first Thursday of the month. A keynote speaker, Ron Wirtz from the Federal Reserve, will be giving a regional economic activity update. Just prior to the Forum, Ron has asked to meet with a small group of private businesses for a feedback session. We confirmed today that Bill Blazar will be presenting on the economic importance of immigration reform following Ron Wirtz' presentation. After the speakers, attendees will break into roundtable discussions showcasing our current career pathways initiatives. Randy asked for Board member participation at the roundtable discussions.

Guest Speaker – Dan Nash "The Current State of Data Security and Information Technology"

- Dan presented on the subject of cybersecurity. He provided a report from ISC entitled, "Cybersecurity Professionals Focus on Developing New Skills as Workforce Gap Widens." He noted that the shortage of cybersecurity professionals is close to \$3 million globally. According to the survey, almost 60% say their companies are at moderate or extreme risk of cybersecurity attacks due to the shortage. More than half the companies studied plan to make a change in cybersecurity staffing in the next year. When hiring cybersecurity staff, companies are looking for a wide range of qualifications. The top three are relevant work experience with good problem solving skills, knowledge of advanced cybersecurity concepts, and cybersecurity certifications. He noted that many managers stated that certifications may even be better/just as good as a degree in information technology. The top challenges for cybersecurity professionals are staff with a lack of awareness, lack of skilled staff to fill positions, and lack of funding. Companies who employ new cybersecurity staff should ensure that they are trained to set them up for success. They also need to provide more professional development opportunities to staff. Investing in current staff can be highly cost effective for companies. Increasing security budgets and investing in personnel, training, and security solutions can shrink the gap.

The order of meetings was changed today. The Board meeting was held at 1:00pm and will be followed by sector subcommittee meetings at 2:00pm. Dan Nash will continue his cybersecurity conversation in the Emerging Technology and Economic Development Sector meeting.

Motion to adjourn the meeting by Jim Wendorff; Jim Kingsley seconded, and the motion passed.

Respectfully submitted,
Jill Miller
Workforce Development, Inc.

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

From: 1-Jul-18 Thru: 30-Nov-18	Y-T-D Actual	% of Budget	Annual Budget
Grants:			
Adult Employment & Training	506,815	22.9%	2,209,634
Youth Employment & Training	434,904	29.1%	1,495,647
Dislocated Workers	529,786	37.0%	1,432,260
	<u>1,471,506</u>	<u>28.6%</u>	<u>5,137,541</u>
Fees for Service/Other:			
Welfare Reform	863,275	31.7%	2,725,400
Custom Training	0	0.0%	5,000
Donations	11,273	225.5%	5,000
	<u>874,548</u>	<u>32.0%</u>	<u>2,735,400</u>
Total Recognized Revenues	<u><u>2,346,054</u></u>	<u><u>29.8%</u></u>	<u><u>7,872,941</u></u>
Unrecognized Revenues:			
Unbilled Welfare Reform	25,775	0.0%	0
Unallocated Indirect Costs	73,724	0.0%	0
	<u>99,499</u>	<u>0.0%</u>	<u>0</u>
TOTAL REVENUES	<u><u>2,445,553</u></u>	<u><u>31.1%</u></u>	<u><u>7,872,941</u></u>

Changes Since Last Report:

WIOA Youth PY16	3,836
WIOA Adult PY16	8,296
WIOA Disl Wkr PY16	22,553
Total Change	<u><u>34,686</u></u>

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

From: 1-Jul-18 Thru: 30-Nov-18	Y-T-D Actual	Percent of Budget	Annual Budget
Salaries and wages	1,166,296	31.8%	3,672,297
Payroll taxes & benefits	372,852	31.7%	1,175,302
Subcontracted services	44,822	14.3%	312,621
Staff development/conferences	15,075	33.1%	45,600
Travel	37,471	34.0%	110,120
Board expenses	4,279	21.4%	20,000
Telephone	22,366	32.0%	70,000
Postage	4,176	27.8%	15,000
Utilities	15,799	27.7%	57,000
Marketing	3,601	14.4%	25,000
Dues and subscriptions	9,329	43.7%	21,325
Auditing & legal fees	3,385	16.1%	21,000
Maintenance	20,278	27.8%	73,000
Rent and occupancy	161,939	38.3%	423,000
Insurance	8,967	40.8%	22,000
Supplies and other	45,107	33.6%	134,429
Equipment	5,832	19.4%	30,000
Equipment rental	35,352	37.3%	94,800
Classroom training	324,289	34.9%	930,453
Participant support	102,871	23.3%	440,850
OJT contracts/wage subsidy	12,149	32.4%	37,500
Participant Wages	24,922	20.8%	119,757
Participant Fringe	3,614	20.7%	17,446
Other training expenses	3,645	29.3%	12,440
Workforce Center Partner Billing	-2,865	35.8%	-8,000
	<u>2,445,553</u>	<u>31.1%</u>	<u>7,872,941</u>