

**NEW YORK CITY WORKFORCE INVESTMENT BOARD
EXECUTIVE COMMITTEE**

April 9, 2013
253 Broadway, 14th Floor

MINUTES

Members in Attendance:

Kathleen Kearns	Mark Elliot
Horace Barker	Reg Foster
Les Bluestone (by phone)	

Also Present:

Tiffany Fergusson	Suzanne Lynn
Cesar Cardenas	Deldreana Peterkin
Megan Keenan	Michelle Light
	Sherazade Langlade
	Chris Neale

Jackie Mallon

Kathleen Kearns, Committee Chair, called the meeting to order.

Introduction and OHCD Executive Director's Report

Michelle Light, OHCD Executive Director updated the members of the Executive Committee on key issues and activities affecting NYC WIB strategic and programmatic priorities since the Committee's previous meeting:

USDOL Issues TEN Guidance Projecting Sequestration Impact on WIA Funding. USDOL chose to apply the 5% sequester to the PY13 base of WIA program funds, so no funds in PY12 are expected to be impacted for those programs. This will likely result in a flat year from PY12 to PY 13 with the possibility for a small overall increase. USDOL projections are meant to help States and local areas begin planning, until the formal notification of allotment levels are issued. NYC is projected to experience increases in Dislocated Worker and Youth funding streams, and a slight decrease in the Adult stream which can be offset with repurposed Dislocated Worker funds.

NYC Requests PY2012 Supplemental Allocation of Rapid Response Funds Provided by NYSDOL. NYSDOL will allocate \$869K in supplemental funding for NYC, sourced from state Rapid Response Funds. The allocation can supplement any WIA Dislocated Worker and Adult activities, including training. During a March 22 phone conference NYSDOL/OHCD/SBS agreed a significant portion of the supplemental will be made available to NYC to support continuing local efforts to support businesses impacted by Hurricane Sandy.

Scope of Local Sandy NEG Activities Rounds Out. State review and approval of Sandy NEG proposals is complete; all projects are in the process of rolling out with some being further along than others. SBS has been and will continue to be instrumental in recruitment, implementation, and monitoring going forward. The total NYSDOL approved NEG budget is about \$35.5M with a hiring goal of about 1,900 people; the state is likely to receive close to \$50M in total from

USDOL. The deadline to expend these WIA dollars is September 30, but USDOL has indicated they are amendable to extending the deadline to December 31, which would give our agencies more time to do the work and keep more people employed.

National Association of Workforce Boards Annual Meeting. Michelle attended the recent annual meeting of the National Association of Workforce Boards in Washington, DC. Michelle observed meeting attendees consisted mostly of a mix of local workforce investment board members from local workforce areas across the country. Committee members were asked to think about whether the OHCD Executive Director should travel to the meeting with board members next year as a small team/contingent.

WIA Reauthorization. The U.S. House of Representatives passed the SKILLS Act last month. The legislation consolidates and streamlines 35 federal job-training programs; it has no chance of advancing in the Senate.

SBS Fiscal and Program Update

SBS staff walked the group through its presentation of SBS WIA fiscal and program performance covering the period from January to March 2013:

Budget Summary. SBS modified the FY13 budget to account for a decrease in FY13 carry-in. SBS will receive supplemental funding from NYSDOL totaling \$869,386, half of which will go to training. The allocation must be obligated by June 30, 2013; unobligated amounts will be recaptured by the state. SBS is currently projected to spend \$37.6 million in FY13, leaving \$3.5 million in reserve for FY14.

Program Summary. SBS is on track to fill 27,000 jobs through the 17 Workforce1 Career Centers. More than sixty percent of the jobs SBS filled in FY13 to date come within the wage range of \$8 to \$15, exceeding the percentage of placements in that wage range during FY12. During the third quarter of FY13, the Workforce1 system achieved 5,849 job placements, which is 91% of the goal for that period and 27% less than placements for the same period in FY12. The decrease from last year is due to changes in the kinds of placements accepted as valid. Those placements, filled through direct managed accounts, have increased by over 35% in FY13 to date. Cost per job placement is varying across the Workforce1 Career Centers. Sector initiatives have shifted their emphasis, generally speaking. The initial Veteran Career Center pilot launched in early FY13 led SBS to a service expansion strategy. Veterans specialists are now providing assistance to veterans in seven Workforce1 centers. Veterans specialists are on track to meet a goal of 1,250 positions filled by veterans by the end of the year.

Training investments in FY13 have focused on helping New Yorkers acquire the skills needed to be employed in better jobs. SBS increased investments in training for mid-wage jobs. A greater number of incumbent workers are being trained to advance at their current place of employment. The agency is responding more effectively to respond to emerging labor market trends. Since re-launching the individual training grant program in December 2011, SBS took steps to increase voucher issuance from 44 vouchers in the third quarter of FY12 to 535 vouchers for the same period in FY13.

Executive Committee Member Feedback. During the training segment of the update, Committee members asked how a recent SBS decision to steer \$1 million in WIA funding towards additional occupational training initiatives had been determined. Specifically, they wanted to know if the allocation was based on the amount SBS determined could be spent

intelligently. SBS responded it was based on what training initiatives could receive additional investments that translate to increased desired outcomes.

The Executive Committee asked about the conversion of part-time placements into full-time placements. SBS was asked to review a sample of part-time placements with conversion rate updates for the following Executive Committee meeting. Committee members also asked SBS to try and identify the percentage of placements that receive employment benefits as a result of the transition to full-time employment, including a more refined wage breakdown by placement categories. Most placements are into part-time employment. SBS ability to respond to the conversion request could be limited by the lack of accessible wage data needed to improve understanding of those transitions.

The Executive Committee also asked SBS about carry in amounts projected for FY15 since the amount will be significantly lower than usual at \$500,000. Committee members asked if SBS can sustain this in FY15 and FY16 as they have historically depended on carry over (FY14 carry over is \$3.5 million). SBS will address this issue at the next Executive Committee meeting, responding also to a past suggestion by Kathy Kearns that perhaps the WIB, moving forward, should continue to talk about what carryovers seem appropriate on a year-to-year basis.

Future Outlook. Based on NYSDOL assertions, SBS expects their WIA budget to increase modestly in FY14. Funds carried over to FY14 will be invested in workforce programs, including Veterans account managers, Bronx facilities costs and investments in healthcare at Hostos Community College, and will fund some expansion centers and other training initiatives. Changes to Workforce1 expansion center funding sources are being considered as seed money (City Tax Levy) to establish and operate the centers sunsets in 2013. This could require NYSDOL waivers depending on the types of services provided through the expansion centers. SBS plans to continue increasing and improving training program outcomes. The agency strategy on training is shifting to focus on higher wage work and hence the agency will be placing an increased focus on hotels/restaurants and will be pulling back on retail sector initiatives.

Placements at the healthcare sector center are not hitting the goal. The center partnership with LaGuardia Community College is undergoing review. There is a good likelihood that healthcare center operations will shift to Hostos Community College in the Bronx. The veteran's initiative model of screening a veteran for all jobs at a center versus the one they are responding to is being considered by SBS as a model for all clients. The agency is also developing a strategy for moving current Sandy NEG placements into full-time employment once the NEG-funded employment period is over.

DYCD Fiscal and Program Update

DYCD staff walked the group through its presentation of DYCD WIA fiscal and program performance covering the period from January to March 2013:

Budget Summary. As of the March claim, current year WIA Youth spending was at 58% in FY12. In FY13, that rate is 66%. Carryover spending was at 91% in FY12. In FY13, it is 100%. Carry-over amounts are built into current DYCD contracts and hence cannot be re-allocated elsewhere which differs from how SBS manages carry-over.

FY13 WIA Youth funds are also comprised of some FY12 carryover funding. WIA Youth programs funds are allocated on a 33/67 split between In-School Youth (ISY) and Out-of-School Youth (OSY) programming for Program Year 12. WIA administration represents 10% of the annual award total. Carryover funding represents funds unspent by the first twelve months of the previous award period, in this case Program Year 11. The carryover amount represents 19% of the \$22,165,164 Program Year 11 award.

Program Summary. Current WIA Youth program performance is consistent with historical trends. For FY12, DYCD met or exceeded state Youth standards on all goals (defined as reaching 80% or more of the target). DYCD also expects FY13 performance to meet or exceed all state standards.

OSY programs are operated by community-based organizations in all five boroughs. Currently there are 18 providers and 23 contracts. For FY12 WIA-OSY, OSY providers are currently in the follow up phase of this program year, concluding on June 30, 2013. Providers can still attain milestones for credentials. For FY13 WIA-OSY performance, OSY providers can continue to register participants for this program year. Additionally, performance attainment will continue through June 30, 2014. DYCD's OSY contract was extended to June 2016.

The majority of ISY program enrollees also participate in SYEP and exit the ISY program in September. As such programs do not have PY13 placement goals until October – December 2013. Final PY13 placement figures will be available in early 2014. Since the majority of ISY degrees or certificates are high school diplomas, programs have degree or certificate goals for the July – September quarter. Final PY13 degree or certificate figures will be available in late August 2013.

In 2012, DYCD received 132,593 Summer Youth Employment Program applications and was only able to support 29,416 jobs in the program with \$43 million in funding from multiple funding sources. For the summer of 2013, DYCD expects to be able to support roughly 30,000 jobs with approximately \$39 million in funding. Through the most recent SYEP RFP, DYCD introduced a new program model that now comprises four options for youth of varying case management needs. The institutionalization of the Ladders for Leaders program, which provides unsubsidized, advanced work for older in-school youth, will translate in an increased number of worksites for youth this summer. SYEP applications are due May 10th for applicants and May 17th for work sites.

Upon conclusion of the DYCD presentation Board Chair Kathy Kearns asked for more updates on OSY activities from DYCD, having expressed particular interest in the OSY program. OHCD staff committed to discussing with Kathy about the types of information it would be helpful for her to receive from DYCD.

The meeting was adjourned.