



Location: 1801 Rockville Pike #320 Rockville MD 20852
Call in Number: 240-641-6756, Pin 201756

**WorkSource Montgomery, Inc.
Board Meeting Minutes**

July 11, 2017 - 8:30 am -10:00 am

Members: Ben Edson, David Gamse, Ellie Giles, Susan Leggett-Johnson, Debbie Murphy, David Petr, Lily Qi, Tom Street, Paul Tchorni, John Zunick (for S Edelstien)

Staff: Ashante Abubakar, Dave Buonora, Lauren Davis, Annette Gantt, Harry Thompson, Danielle Verbiest

A quorum being present, the meeting was called to order at 8:40 a.m.

8:30 am Welcome and Chair Report (Leggett-Johnson)

- **Chair Report**

Leggett-Johnson shared Ellie is calling in because as she is in Denver, discussing a potential new partnership and funding opportunity that would enhance apprenticeships in the IT/cyber industry in Montgomery County.

Leggett-Johnson thanked Steve Greenfield the new partnership to develop cohort training for in-demand occupations within the job-centers and better industry-led training partnerships. Greenfield shared that the America's Promise grant and is a \$5.7M four-year regional grant that includes Frederick and Prince Georges college, focused on updating IT skills for candidates to get back to work. An eight-week boot camp will be provided for about 40 students and includes employer engagement. Cohort training will be provided in In-demand fields. Students will be trained and moved into jobs that lead to career pathways. Job seekers are recruited from the AJC.

Leggett-Johnson thanked Lily Qi and her team for their advocacy for funding for WSM and contract development. Giles shared that Qi has worked hard to help WSM get additional funding, and contract development in order to be in a much better cash flow.

Leggett-Johnson thanked board members and Dr. Jack Smith for the Summer RISE career exploration partnership. 100% of the high schools are participating with close to 500 students participating in our inaugural year. Murphy thanked the WSM team for providing the employer training.

Giles special thanked you to Gantt for overseeing all the coordination for the relocation to the new offices, Buonora for spearheading the Wheaton remodel, and Verbiest for taking the lead on both the DEI and 2Gen grants.

Further, Giles referred board members to the updated organization chart and role descriptions as board packet. She stated that in order to be most cost effective and more efficient, the financial, accounting, HR and payroll, as well as the communication/branding functions in-house. This will save approximately \$100,000 in consulting fees. Giles stated that WSM's strong team will support its mission and strategic goals, which includes convening stakeholders and establishing partnerships. Giles introduced three new team members: Cynthia Grissom, Director of Talent Development who leading all the job seeker programs and ensuring WIOA compliance;

Ashante Abubakar, Director of Business Solutions – coordinating industry engagement and; Lauren Davis, Social Media Strategist & Content Producer – coordinating communication and branding efforts previously done by an outside contractor.

- **Approval of the Minutes**

Leggett-Johnson stated that the minutes from the March 7, 2017 meeting were sent to you prior to today's meeting. With no requested discussion or changes, Leggett-Johnson made a motion for approval of the minutes.

The motion for approval of the minutes was seconded, no discussion, and the motion was approved.

Meeting Schedule and Committees

Leggett-Johnson referred board members to the 2018 Meeting Schedule and Committee assignments. She noted that calendar invites will be sent as well. Leggett-Johnson share that D. Murphy and Cooper will be forming a committee to further examine the board structure as discussed briefly at the retreat. Please let me know if you would like to serve on this committee.

Leggett-Johnson asked if the County would be interested in participating. Qi, Hicks, Nguyen (WDB), Uriburu (WDB) and Gamse indicated interest in participating. Gamse also requested to be removed from the Program Committee.

- **Financial report**

Due to growth and restructuring and upon recommendation of the finance committee – WSM will not renew its contract with Cordia Partners and have started the transition to bring many of the financial functions in-house. We believe this will bring many more efficiencies and effective practices to the organization. Cordia Partners will continue to assist with this transition through August and support preparation for WSM's independent audit to be conducted by Aronson in early September. Under guidance of the finance committee, WSM is in the process of hiring a part-time accountant, and Harry Thompson a consultant accountant hired by Cordia Partners, will stay on as an independent consultant to oversee monthly close outs and financial reporting. A new RFP will be sent in the Fall.

The FY18 County funding is \$1,657,344, including \$425,000 Pepco/Exelon merger settlement funds, and \$250,000 for Summer RISE.

Across the nation, WIOA funds were cut. Maryland received a 20% reduction which in turn was passed on to the local areas. Montgomery County's funds were reduced by \$600,000 – resulting in a total award of \$3,456,002. Giles and her team has been working to ensure that current programming is not impacted by this reduction. As a result, cost savings strategies include moving the youth program into the Wheaton Job Center – saving rent, increasing cohort training opportunities replacing many individual training plans, and an increase in resource-sharing with our mandated partners within the Job Center. We are exploring fee-based services such as the establishment of a testing center. Qi asked whether the present timeframe is a good time to begin thinking about raising funds to support fee-based services and to diversify revenue streams, particularly, private sector revenue streams.

Thompson reviewed current financial status and projections. Thompson stated that the financial dashboard was developed to report out on key drivers. (Refer to handout) **Murphy and Leggett-Johnson requested to have a comparative budget the next board meeting.** Murphy shared that effective FY18-19, the IRS is going to require all

nonprofits to have a reserves policy. Further she stated that the board will want to consider adopting a policy. Thompsons continued by stating that the indirect cost rate has been coming down. WSM currently bills at a 10%, but we will reapply to recoup some additional funds.

Thompson noted that WSM ended May with \$202,777; ending June at \$1,244,961 due to accounts receivables; net income could be over \$500K. WIOA is allows for 20% of funds to carryover. All funds that have been carried over, have been obligated and will be spent.

Contracts/Sub-recipient awards

All sub-recipient awards and updated contracts have been signed. Please let Ellie know if you would like to review any of the agreements. Program funding include:

- Ross (Adult & DW) - \$1,460,075
- Re-entry program - \$148,296 (\$80,000 - HHS funds (pending), \$50,000 -WIOA Adult/DW, \$18,296 – State; program runs through Ross)
- DB Grant Associates (Youth) - \$913,920
- Identity (Youth) - \$83,900 to support GED training
- TransCen (Youth) \$175,000 – to support youth with Disabilities
- EDSI (1/3 out of each A/DW/Y) \$253,953

- **Strategic Plan/Work Plan Review**

In your packet are 3 documents: Strategic Plan crosswalk, Strategic plan that was derived from our approved local plan (developed with multiple stakeholder input) and the joint board retreat discussion and finally a corresponding work plan. Please note that the work plan does not have metrics or timelines as they will be determined through board committee meetings and quarterly progress will be reported at Board meetings upon approval of overarching strategic goals.

The strategic plan was reviewed by the Executive Committee and the WDB board. Please send your comments/feedback to Ellie no later than July 20. The Strategic Plan approval for adoption will be taken through an electronic vote by the end of July.

Buonora: WSM has worked hard to build partners and connectivity so all industry efforts happen with an integrated approach. WSM is helping to creating model programs with intention of passing them along to community stakeholders to implement. WSM is focused on helping to build the financial resource and capacity for each grant and/or program. The Summer RISE initiative is an example, as WSM engaged employers, nonprofits, Montgomery College. Street emphasized that WSM is still in its infancy stage of development as an organization. WSM has taken the lead to get some of the programs up and running because it had the capacity. The intention is to turn the Summer RISE initiative over to the MCPS. Gamse stated that the main issue is communication vs. operations. Gamse believes there are more C3 who are charitable organizations where there is less collaboration happening. Edson believes that if the intention is to hand off programs, it should be articulated more clearly in the work plan (e.g., develop sustainable models, evaluate and assess each program, and then turn them over to the most appropriate entity). Murphy suggested that the program committee is where this discuss also needs to happen and might be one of the committee's mandates. Gamse requested a future agenda item be underserved populations and the needs and capacity of the 501C3 that serve them. Street suggested that WSM carry each program until its ripe before handing it off. Eventually, operating programs should become the exception and not the norm.

- **Resource Development strategies**

Given the new fiscal restraints, a high priority will be to implement a strong resource development strategy. Please let Ellie or Buonora know if you would like to help with this endeavor.

9:30 CEO/Staff Report (Buonora)

July 1, 2017 is significant -it is our 1st anniversary of our current structure. The team, would like to thank the board for all the support as we move from being a start-up to a growth organization. Ellie spent most of this year gaining a better understanding of the demands of our community through numerous meetings with all our key stakeholders. rebranding WSM and obtaining and building resources to shore up our infrastructure. After 5 different office spaces, we now are in our permanent offices, we have established strong procedures for HR and have built a fantastic team, created better financial processes and procedures for strong fiscal management and enhanced our communication presence.

I would like to quickly highlight efforts in achieving our mission – please know that Ellie or I are always happy to discuss further with you.

9:30 State of WorkSource Montgomery (Buonora)

- **Strategic start-up initiatives July 1, 2016- July 2017 - Year 1: Where Have We Been**

Year one strategy for WSM was to look at the landscape and find ways to fill in gaps in capacity. WSM pursued grants that provided resources to create programs, and shared that message with the community.

WSM team members met with key stakeholders to learn and act upon important priorities:

- Government: 2 Generation Approaches, Storm water Management opportunities, County Human Resources partnerships (especially individuals that can no longer fulfill current positions), East County access, Proactive strategy for anticipated reduction in Federal workforce
- Education: has developed MOUs with Universities at Shady Grove and Montgomery College; has developed strategies to increase cohort training in high demand, high wage jobs; has enhanced career exploration with MCPS via the Summer RISE initiative
- Community Based Organizations: WSM has partnered with the Collaboration Council to update CBO asset mapping; developed age-friendly strategic plan for 50-plus employment initiatives
- Industry: WSM has identified five targeted Industries that are high demand, high growing industry fields:
 1. Health Care: Nursing careers (EARN grant with Healthcare Initiative Foundation); Disability Employment Initiative (Grant with DORS and Transcend);
 2. IT/Cyber: Tech Hire and America’s Promise (Grants with Montgomery College); and Coder Training with (IT Consortium)
 3. Bio-Science: Bio Career Awareness Event with MD Bio and Bio-Train; Focus on post-doctoral career opportunities in bio-science field
 4. Construction: Partnership with ABC; Apprenticeship with Choice Works
 5. Hospitality: Working with Visit Montgomery on Kitchen Incubator

During the course of the year WSM identified a strong need in the energy field and is working with Pepco on utility trades careers. In addition, Pepco is interested in developing an Energy Academy to better address the high demand energy (sustainable and utility opportunities).

WSM has developed organizational structure and hired staff. Qi recommended that a box be added on the organization chart for the board of directors.

- **Strategic Growth structure - Year 2: *Where Are We Going***

Now that resources and structure have been identified WSM will continue implementation of early partnerships and continue to grow. WSM has considered the local and regional needs to continue to focus on industries with high demand, high opportunity that need support.

Identified the following:

- **Entrepreneurship:** Examining how to implement an Entrepreneurship Center at Wheaton Job center. Street highly recommends that WSM considers the WSSC MBE SLBE program, which teaches individuals business skills before creating an entrepreneurship program.
- **Middle Skills Jobs:** put together a proposal known as CAPS (Career Awareness Program) Giles is working with the council of mayors and governors. Giles is developing a proposal to help build out career pathways to ensure a great talent pipeline.
- **Skilled Trades:** making community aware of career opportunities and education and training in this area and connect job seekers to jobs.

Business Solutions will develop Industry Alliances in high need, high-demand industries to proactively connect with employers to learn their needs. Will also be the focal point to respond to businesses reaching out to us with talent development needs.

Continuing to Serve Job Seekers through the American Job Centers (AJC). Refurbishing Wheaton AJC to provide better customer flow and support. Working with partners across the county to develop models that can then be used with various stakeholder partners and across various industries.

Qi asked if WSM can carve out time at the next board meeting to discuss target industries, which are not County's overall targeted industries.

Leggett-Johnson asked how WSM will get to a place where the hiring manager or organization thinks of WSM to fill their vacant positions. Giles shared that partnership with the MCEDC will allow WSM to go on business retention visits with their team.

- **Other Business & Announcements**

Murphy announced that business representatives are encouraged to attend the October 5th Hike on the Hill. Further she stated that she would like WSM will be putting together a flyer with additional details.

Next meeting: September 19; Action: review strategic plan and forward comments to Giles by next Wednesday. A vote for the approval of the plan will be conducted by email on July 31.

Street requested that Giles and Qi work together to find out the timetable for the career pathways program and share with him. Giles and Qi has a meeting scheduled on July 18th to discuss further.

10:00 **Adjourn**