

Board of Directors Meeting

Workforce Central Florida
1392 E. Vine St.
Kissimmee, FL 34744
Tuesday, April 16, 2013
9:00 a.m.

MINUTES

- BOARD MEMBERS PRESENT:** Kevin Shaughnessy, Greg Beliveau (via phone), Diana Bolivar (via phone), Paul Bough, Deborah Clements, Melanie Cornell (via phone), Leticia Diaz (via phone), Lorna Garrow, Catherine Hanson (via phone), Eric Jackson (via phone), Thomas Katheder, Leland Madsen (via phone), William Merck, Tirso Moreno (via phone), Taylor Pancake (via phone), (via phone), Dr. Joseph Sarnovsky, Dr. Robert Spooner (via phone), Richard Sweat, Eric Ushkowitz (via phone), Larry Walter, and Mark Wylie
- MEMBERS ABSENT:** Dr. Angela Adams, Wendy Brandon, Robert Brown, Steve Clelland, William D'Aiuto, Brian Michaels, Jack Plettinck Dr. Sanford Shugart, Robert Thompson, Chuck Todd and Rick Walsh
- STAFF PRESENT:** Pamela Nabors, Kevin Neal, Joyce Hinton, Anika Holmes, Kameel Abdurrahman, Leo Alvarez, Sherry Voss, Nilda Blanco, Chad Kunerth, Tonya Elliott, Jason Lietz, Suzan Awad, and Kaz Kasal
- GUESTS PRESENT:** Al Stimac/MACF and Lois Scott/Department of Economic Opportunity (DEO)

WELCOME & CHAIR'S REMARKS

Mr. Shaughnessy called the meeting to order at 9:00 a.m. and welcomed those in attendance.

Roll Call/Establishment of Quorum

Ms. Kasal commenced with roll call and established that there was a quorum present.

Approval of Minutes from 2/26/12 Board of Directors Meeting

After reviewing the minutes from the February 26, 2013 Board of Directors Meeting, Ms. Clements made a motion to approve the minutes. Mr. Katheder seconded and motion passed.

Public Comment

None offered.

PRESENTATION – ADVANCED MANUFACTURING SECTOR IN CENTRAL FLORIDA

Mr. Sweat, WCF Board Member and President of .decimal, welcomed the Board and introduced Mr. Al Stimac, President/CEO of Metal Essence, Inc. and Machining Solutions. Mr. Stimac is also President of Manufacturers Association of Florida (MAF). Mr. Sweat stated that both he and Mr. Stimac in today's meeting will provide a presentation to the board proposing support to an Advanced Manufacturing Training initiative

and emphasizing the importance of industry recognized credentials/certifications as an effective means to close the manufacturing skills gap.

Mr. Sweat indicated that wealth is created in 3 ways: 1) Agriculture, 2) Mining and 3) Manufacturing. According to Florida Department of Economic Opportunity, there are 4,640 manufacturing jobs unfilled due to lack for skilled workers. There is very little discussion on the need for advanced manufacturing, whether it be training for a large or small manufacturer.

What is needed:

- Match skills of current and future workers with the competencies required for Advanced Manufacturing.
- Benchmarking competencies and supporting a robust matching of skills and certifications.
- Develop better tools for manufacturers to work with education productively to meet skill needs.
- Provide technical assistance to community colleges to align to industry certifications. Currently community colleges rank low in providing the appropriate technical training/certification that meet manufacturers' needs.

Mr. Stimac greeted the board and extended his appreciation for inviting him to present at today's meeting. Mr. Stimac explained that there is a great resurgence in manufacturing, and manufacturing companies are coming back to the United States. These new jobs involve advanced manufacturing and require highly skilled workers; however companies cannot find workers with these specialized skills. Florida ranked as the 44th state in % of GDP; however 90% of Florida's exported goods are produced in Florida – it is very advantageous to be able to produce and ship goods within the same state. There are approximately 18,000 manufacturing companies in Florida and 60% of those have less than 10 employees. These companies cannot find skilled workers. There is an 82% moderate to serious skills gap and this negatively impacts a company's ability to expand. The current manufacturing workforce's average age is 56-57. 55% of jobs are not filled due to lack of qualified workers. The proposal is for WCF to put together a coalition with key stakeholders, develop good training programs and get educators on board with advanced manufacturing training.

Mr. Sweat stated that WCF has already begun to focus in the direction of advanced manufacturing training through partnership with Valencia College for the TAACCCT (Trade Adjustment Assistance Community College and Career Training) grant. Currently, Valencia College is the only local college participating in the TAACCT grant. The training program will provide:

- Computer-based CNC (Computer Numerical Control) simulation training (12 to 15 students per class, 100 hours, 15 credit hours)
- Industry certifications (MSSC, NIMS, etc)
- Industry-supported internships
- Programs for Youth, Transitioning Workers and Veterans

Mr. Sweat added that simulation training is cheaper than training on actual machines. It is also safer and more flexible, providing broad exposure to a wide range of equipment, controls and tooling options. The aim is to duplicate this model to other colleges.

Mr. Shaughnessy thanked both Mr. Sweat and Mr. Stimac for their presentation and asked the board if they

had any questions.

Dr. Sarnovsky asked what the starting salary is with advanced manufacturing jobs. Mr. Stimac replied that these jobs are 18 to 20% higher than the average manufacturing job. He gave an example of an average entry wage of \$15.00 per hour.

Mr. Beliveau commented that Lake County is having the same issue – manufacturers have jobs they cannot fill; they are in dire need for skilled workers, but the workforce in the area lacks the necessary skill sets. Lake County has the 2nd highest unemployment rate in the region. They are currently working with high schools, local colleges and technical schools to provide the necessary training employers need.

Mr. Katheder asked how the certification process works – who gives the test. Mr. Stimac replied that with regard to the TAACCT initiative, Valencia College administers the testing. Along with the simulation training, students have to attain baseline and soft skills (reading/writing, applied math, locating information). Mr. Katheder asked if there any successful programs outside of Florida. Mr. Stimac replied yes, “Right Skills Now” in Minnesota. Mr. Katheder asked about tracking individuals to jobs after training. Mr. Stimac replied that students are placed right away into internships.

Dr. Sarnovsky commented that individual companies provide the curriculum/certification information and colleges provide the infrastructure – space/supplemental education.

Mr. Shaughnessy indicated he spoke with the HR Director for Toyota at the NAWB (National Association of Workforce Boards) conference he attended in March 2013. The HR Director indicated that Toyota decided to build a plant in the small community of Tupelo, MS primarily because of the teamwork this town displayed; the chamber, college, workforce development in this community worked closely together and they were able to successfully coordinate the funding, development and set up of a training program with community college. The program consisted of 2 days of school (via grant), and 3 days of internship which Toyota funded. This had a snowball effect and other industries have moved to Tupelo. Mr. Shaughnessy said he will see if he can get reps from Toyota to come down and talk with the board.

Mr. Walter commented that advanced manufacturing training is an excellent area to spend training dollars. Ms. Nabors replied that, with board approval, this can be earmarked in the budget and a target population identified. Conversations can occur with other colleges/schools, such as the need in Lake County, so this can be region-wide. Mr. Walter commented that this would be a great, long term opportunity for youth coming out of high school. Ms. Clements concurred, she would like to see youth involved in this. Dr. Sarnovsky added that cooperation with the K-12 system is important – they need to upgrade their curriculum to reflect the needs in the business community. Mr. Stimac commented that youth and military populations have great skill sets and are quick learners. Mr. Shaughnessy commented that at-risk youth should be a focus and he added that other populations could also benefit such as line workers and individuals who already have a technical background. Mr. Walter commented that he would also like the region to become top in other industry areas as well: agriculture, tourism, construction.

Mr. Sweat advised that this program with 12-15 students per class will not fill the pipeline of skilled workers that are needed, but this is a start.

Mr. Shaughnessy again thanked Mr. Sweat and Mr. Stimac for their presentation and input. Advanced

Manufacturing training is a very important priority with the board.

PRESENTATION – DEPARTMENT OF ECONOMIC OPPORTUNITY (DEO)

Mr. Shaughnessy introduced Ms. Lois Scott, Bureau Chief, Bureau of One-Stop/Program Support, Division of Workforce Services under DEO.

Ms. Scott greeted the board and stated that she will be providing an annual update on status of programs, review of the board's performance and certify that the board is in compliance with applicable state and federal laws. Ms. Scott expressed how pleased she is with all the success the board has made and in tremendous strides as well. The board also selected exceptional leadership in both Pamela Nabors and Kevin Neal. She looks forward to even greater accomplishments from this region. She is certain this region will rank #1 in all performances. This marks the first year, at the request of legislatures, that DEO will be providing an annual visit to each of the 24 regional workforce boards to review long range performance – last 18 months and federal performances from a national perspective. Referencing the PowerPoint handout, Ms. Scott provided a data overview on local Labor Market Information, Program Performance Highlights and Internal Control Compliance Program. Ms. Scott closed commenting that DEO is pleased with the outcomes they are seeing related to administrative procedures and the tremendous job this workforce board has done to turn this region around.

Mr. Merck stated that both he, and on behalf of the board, extend their appreciation of Ms. Scott's visit and presentation. Mr. Shaughnessy added that this visit reflects the positive attitude and relationship the board has with DEO and WFI, both now and to continue in the future.

COMMITTEE REPORTS & DISCUSSION

Audit Committee

Mr. Ushkowitz stated that the A-133 Audit Report was submitted on 3/29/13, which met the deadline of 3/31/13. This report was sent out to all board members, as well as a hard copy provided in today's packet. This was a very good report with an unqualified opinion, which is the highest rate that can be attained. There were no questioned costs, and no material weaknesses were identified - all of the 17 findings from the prior year have been resolved. There were two insignificant findings related to reconciliation of accounts. There was a challenge of reconciling in a timely manner, so staff performed and completed a look-back/reconciliation of payroll and still made the deadline. Overall, WCF is in good shape as an organization. Mr. Shaughnessy extended his appreciation for the tremendous work provided by board and staff involved; this now positions us for success in the year to come.

Executive Committee

Mr. Shaughnessy referred to amended Bylaws in today's meeting packet. He stated that Mr. Katheder provided additional refinements to the amended By-laws. The vote to adopt these By-laws will occur at the June 2013 meeting, when the Board will be meeting jointly with the Workforce Investment Consortium. Mr. Shaughnessy explained that with By-law changes, there needs to be at least a 30-day notice to board.

Mr. Shaughnessy stated that continued discussions are occurring between DEO, WFI and Governor's office on removal of the high-risk designation, which is the last remaining issue. At this point, all elements have been satisfied, with the exception of the monitoring review. DEO will be conducting the monitoring (instead of a 3rd party) in May 2013. The Executive Committee's goal is to have the high-risk designation lifted on or before

6/30/13, so the new program year will begin without this designation. A letter is currently being drafted to WFI/DEO reflecting this request.

Finance Committee

Mr. Merck stated that employee benefits have been renewed. Based on staff input via an administrative survey, staff preferred an increase in co-pays as an offset to raising rates. With some minor tweaks, the negotiated proposal went down from a 15% increase to a 7.4% increase. An added benefit for employees is the FSA (Flexible Spending Account) which is now being offered for the first time.

Mr. Merck stated the next Finance Committee Meeting will occur on 4/23/13 and the following will be reviewed: Budget Variance Report, review of preliminary FY 13-14 (budget projections and Program Committee recommendations), 403(b) fiduciary responsibilities – UBS (plan consultant) to provide further analysis of employee fee structure on the 403(b) plan (the aim is to lower employee rates).

Governance Committee

Ms. Nabors stated that the committee will be meeting soon to discuss/develop a slate of officers and provide at the June 2013 meeting for board vote. The committee will also be working to create a strategic planning process to identify what areas to prioritize workforce funds.

Legal Committee

Mr. Katheder provided the following updates:

- The \$75,000 settlement has been officially signed with C.G. Commercial. This has been paid and fully settled.
- Eaves claim - still under review for resolution.
- Legal fees claimed by WCF's former attorney, Mr. Sell – this is still under review for resolution.

Program Review Committee

Mr. Neal stated that Dr. Shugart has asked staff to work on the following:

- Refine local metrics, based on great feedback from the Program Committee.
- Training Providers – revising processes and procedures for selecting new training providers and enhancing procedures to deal with existing providers. There are currently no performance metrics for training providers, just the minimal basic requirements apply.

The Program Review Committee will be meeting on 4/26/13 and bring their recommendations to June 2013 meeting for board vote.

Youth Committee

Ms. Clements stated that the Youth Committee has met twice since last board meeting. The committee is continuing to educate themselves and stay on task. RFP (Request for Proposals) was released for year-round youth services provider(s). Proposals are due on 5/3/13. WCF held an open Bidders Conference on 4/5/13 at the Heart of Florida United Way in Orlando, with 12 different agencies attending. In prior years, WCF has been out of compliance having no year-round youth services. The Youth Committee weighed in on: number

of youth to be served, youth target ages, program design elements, how youth earns incentives and support services policy. The overall goal is to adopt a plan to serve 825 Youth - 200 served directly by WCF and 625 served by the youth service provider(s). Ms. Clements stated that they are looking for board members to serve on the RFP evaluation team and review the proposals that are submitted. As some on the Youth Committee have a conflict of interest, it was thought best to open this up to the entire board for volunteers to review evaluations. If interested, please contact Ms. Nabors. At the 4/3/13 Youth Committee Meeting, a case management organization provided a presentation with regard to youth aging out of foster care – this population is eligible for WIA services. The presentation was both interesting and informative. There will other presentations provided to the committee on other targeted populations. The aim is to focus services where there is the most need. Mr. Shaughnessy asked if the recommended year-round youth proposal selections will be brought to the full board for vote. Ms. Clements replied yes, there are several members on Youth Committee that have conflict of interest, so the full board will review and vote on this. Mr. Shaughnessy asked how much in funds will be provided to year-round service provider(s)? Ms. Clements replied up to \$2M. Mr. Walter asked how many year-round youth providers will be selected. Ms. Clements replied 1 or more. Mr. Wylie, Ms. Garrow, Mr. Walter and Mr. Bough all volunteered to serve on the RFP evaluation team. Ms. Clements indicated that a time schedule will go out to the RFP evaluation team along with guidelines on the process. Ms. Nabors added that each evaluator will rate individually and then come together at a publically noticed meeting to review/discuss.

OTHER BUSINESS

Mr. Alvarez referred to his memo in the meeting packet with regard to five-year facility lease plan update which covers the current status of leases and updates on the plan. Staff is recommending for board's review/approval to extend leases for one year at the following two locations: 4360 E. Colonial Drive, Orlando, FL and 1563 Florida Mall Ave., Orlando, FL. Staff is recommending only to extend these leases for one year because at the E. Colonial location there is a Wal-Mart being built next door and we need to determine if WCF can co-exist and also review traffic patterns. Also this extension provides an opportunity to re-evaluate/resume partnership discussions with Orange County Library. As for Florida Mall location, there are parking issues which staff is still trying resolve.

Mr. Walter made a motion to approve staff recommendation to extend lease for one year at: 4360 E. Colonial Drive, Orlando, FL and 1563 Florida Mall Ave., Orlando, FL. Mr. Merck seconded, motion passed.

Mr. Merck commended staff for their great job reviewing existing sites and providing a well thought out recommendation.

PRESIDENT'S REPORT

Ms. Nabors provided her president's report with the following highlights:

With regard to the facilities process – three locations are being evaluated for consolidation of Seminole County One Stop; anticipate final proposal will be presented to WCF Board in June 2013. Thanks to Ms. Cornell and Ms. Volosin at HKS Architects for their volunteered consulting expertise they provided on space and traffic flow recommendations to optimize delivery of services.

Thanks to Mr. Katheder for referring Mr. Joseph Gardner from Disney Institute on providing a pro-bono presentation at WCF's first ever, all-staff meeting on 4/11/13. Thanks to Mr. Gardner for providing an excellent presentation on intentional customer service. 300 staff were in attendance and great feedback was

received from staff on their input on tools/resources and behaviors needed in order to engage in customer service best practices and focus on the future as one WCF. Thanks also to Mr. Shaughnessy for his great kick-off speech and welcome/recognition to staff at this event.

CHAIRS CLOSING REMARKS

Mr. Shaughnessy commented on how enthusiastic the staff were, which motivated him to speak longer. Without the staff's efforts we could not have made the great progress turning this organization around. Mr. Shaughnessy also extended his thanks and appreciation to the board and committees for all their work. Teamwork is resonating well.

Mr. Shaughnessy closed thanking Ms. Scott, Mr. Sweat and Mr. Stimac again for their helpful, informative presentations.

UPCOMING MEETINGS:

- Joint Meeting of the Workforce Investment Consortium and Board of Directors – June 20, 2013, Goodwill Industries of Central Florida, Inc., 7531 South Orange Blossom Trail, Orlando, FL 32809

There being no further business, the meeting adjourned at 10:37am.

Respectfully submitted,

Kaz Kasal
Sr. Administrative Assistant