DARS Central Office, Richmond, Virginia

1st Floor Conference Rooms (also see VTC sites below)

Tuesday July 11, 2017 10:45 AM

Meeting Minutes

**Members Present**: Robin Metcalf, April Pinch Keeler, Chris Lavach, Mike King, Sharon Bunger, Emily Gebhart, Megan Bergen, Natalia Yu, Dan Reichard, Michelle Flynn, Greg Ellison, Marshall Henson, David Gusler, Jason Harper, Michelle Browlee, Phil Nussbaum, Chris Hicks for Stephanie Lau, Gary Cotta. Shawn Smith for Linda LaMona

**Members Absent**: Rachael Rounds

**Guests Attending**: Shirley Lyons, Heather Norton, Janelle Nichols

**VTC Sites:** Nova Washington, Sara Westfall, Carrie Yates, Ken Heath, Linda LaMona, Ashley Thompson, Michelle Gosh, Joanie Harmon, Frank Dowell

**DRS Staff Attending**: Kathy Hayfield, Jessica Stehle, Cathy Staggs, Donna Bonessi, Jim Rothrock, Sherrina Sewell

**10:45 am – Full Committee Call to Order Robin Metcalf**

* Introductions
* Review and approval of draft minutes from April 11, 2017 meeting.

**Commissioners Remarks Commissioner Rothrock**

Commissioner Rothrock stated he was proud to see about 80% of students in Project SEARCH were employed. He praised each worker’s hard work to ensure our program numbers were in good standings, but especially Project Search and Donna and her team for coming up with a review model for sustainable jobs and organizations. He reminded us of the changes we are about to see with new administration coming in and some exiting out. The Commissioner noted that sheltered employment is a concept that is done and not coming back, and encourage organizations to adjust to that.

**DRS Directors Update** **Kathy Hayfield**

Kathy Hayfield wanted to revisit and clarify some items noted in the minutes of the last meeting related to LTESS dollars. Beginning July 1, 2017 no additional enrollments into LTESS for sheltered employment services will be accepted. In the last meeting a potential plan for transition of the LTESS dollars was discussed, but since the organizations are naturally adjusting to this, it was decided that the progress would be monitored for the next few months, and if a plan was necessary, one would be formed with a subcommittee of the ESOSC. There has already been an increase in the use of both ESS and LTESS funds for competitive integrated employment.

Kathy stated there was a significant amount of unspent funds in ESS ($287,000), and a $27,000 shortfall in LTESS funds. Both are unusual, and illustrate the shift in services that is happening naturally as a result of the change. The Funding Sub Committee committee-suggested performing some trend analysis to see which ESOs have spent all funds and which have not in the past 3-5 years, to determine if excess funds could be redirected to other ESOs. At this time LTESS will fund individuals who were employed in sheltered employment prior to July 1, 2017, but no new services will be funded using LTESS funds in sheltered employment. The shift to integrated employment will take a change in culture, and individual organizations should be evaluated to determine what changes need to be made. Group options were examined with Ability One sites. Donna stated that it is critical for organizations to reach out to DARS and ask for help.

Some members expressed concern for the lack of a formal plan to address the shift from sheltered employment and the accompanying shift in funds. The point was made that some ESOs anticipated a plan from DARS. Committees were asked to bring recommendations for a formal plan to the next meeting.

Kathy discussed that there will be no adjustments to rates for Fiscal Year 18. This decision not to allow adjustments is based on the CPI-W which saw negative growth (-0.7) this year.

Kathy Hayfield reported that MSD and SD categories are open, and should remain open through the summer.

**WIOA/Policy Updates Catherine Harrison**

Catherine Harrison talked about the order of categories and they have been changed from four to three. SD1 and SD2 have been collapsed into one category. Some critical policy changes are: Providing services for individuals who are at imminent risk of losing their job, Pre-Employment Transition Services, and stability date for supported employment.

Catherine advised that DARS is required to keep copies of guardianship orders or power of attorney in the client’s file if. All policy changes are in the DRS Policy and Procedures manual that is available on the DARS’ website.

**Section 511 Update Donna Bonessi**

Donna spoke about changes to Section 511 career counseling sessions.

950 Career Counseling verification forms have been received.

Organizations that have undergone this training regarded it as helpful and flexible.

Those that need to be scheduled were advised to contact Nicole Rada at The Partnership, as these need to be done by July 22, or the organization cannot compensate employees below minimum wage.

In the upcoming years, it will be the responsibility of the employer to make the referral, and ESOs will have to

let DARS know that they have a need for career counseling. This is based on DOL regulations. This is the case for all vendors, not just ones that contract with DARS.

**LTESS/EES Statistics Cathy Staggs**

**EES Statistics**

35 ESO’s – Blue Ridge ended vendorship in 2016

Allocation remained the same – no funding increase for FY 2017

Only $2,370,340.06 was spent in part due to Longwood Industries closing in 2016 and several vendors left significant amounts unspent.

Balance remaining was $287,857.94; $110,321.20 was used for outstanding admin costs and the remaining $177,536.74 will go back to the state.

All outstanding ESO expenses were paid.

**LTESS Statistics**

68 ESO’s

Allocation increase of $375K.  Budget Reduction of $375K increase then $200K restoration was made later in the year.

2 ESO’s closed down – Longwood and Chesapeake

All outstanding costs were paid.

**Funding Sub-Committee:**

Phil Nussbaum reported Recommendation to look at trend analysis and identify areas of underspending and see if there are ways to reallocate funds. An ad hoc meeting will take place before the next committee meeting. He asked for the spreadsheet prepared by DARS that shows additional fund reallocation, and to look at each organization by month.

**Public Policy Sub Committee Report**

The committee reported they have new chair. Greg Ellison will assume the role as chair. The committee is looking at LTESS and EES policies.

**Nominations Sub-Committee:**

One nomination that was approved by the commissioner was declined by the nominee. The Sub-Committee asked Donna Bonessi to re-send information regarding nominees that were not selected so the committee can make another selection.

Public Comment: None provided.

Meeting Dates 2017 – October 17th

Meeting Adjourned: 12:41 p.m.