

MONTHLY REPORT



A MONTHLY REPORT TO THE CSA AND BOARD OF DIRECTORS

April 2014

JAG BOARD OF DIRECTORS SPRING MEETING

The Board of Directors gathered for the Spring Board Meeting in Indianapolis under the leadership of Governor Mike Pence, Vice Chair. Governor and Mrs. Pence were kind enough to host the Board at a fascinating working dinner at the Governor's Residence, where students from JAG-Indiana reported on their progress in school and jobs. Scott Sanders, Commissioner of the Indiana Department of Workforce Development, provided a context for the Board regarding the size and scale of JAG-Indiana.

Athena Kaviris, Senior Human Resources Leader, Supply Chain, at G.E. Aviation and **Anna Marie Dunlap**, Senior Vice President at Corinthian Colleges joined us for their first Board meeting. **Shelly Dinehart**, Consumer Practices Executive at JPMorgan Chase, joined us by telephone for her first time as a member of the Board.

Our Vice Chair, Governor Steve Bullock, chaired the first half of the meeting, and then Governor Pence chaired the meeting to its conclusion. Governor Jack Markell joined by telephone (as did several other members of the Board) and contributed to each of the subjects on the agenda. Items on the agenda included:

- * **The dramatic growth of JAG-Indiana**, which nearly doubled in size over five months, fueled by a \$6 million appropriation last year by the Indiana Legislature at the request of Governor Pence. The Board spent a good deal of time learning more about how the growth occurred, the means by which students and parents, local Workforce Boards, and schools were engaged and commitments secured to bring the program from 60 to 112 locations, serving approximately 5,500 young people. The program will likely grow to serve nearly 6,000 as the new school year opens.
- * **A presentation by Bill Hansen, President and CEO of USA Funds** (currently the nation's largest guarantor of student loans, but evolving into a major new force in improving America's higher education system). Bill presented USA Funds' plans to partner with Jobs for America's Graduates to dramatically extend the reach of the organization and enhance components of the JAG Model related to higher education.

USA funds hopes to be able to commit to major funding for 2-3 JAG Affiliate states that they have targeted and to enhance the JAG Model and expand our reach. Bill also indicated an interest in exploring further relationships with JAG over the next several months

- * **A proposal by Governor Steve Bullock of Montana** (Vice Chair) to mount JAG programs in all of the schools in his state with a majority of Native American students. This initiative would constitute the largest statewide application of JAG among the Native American population. The Board enthusiastically endorsed the strategy, and USA Funds is likely to commit funding over two years to the effort, with additional funding being pursued from other sources.

Governor Bullock also presented an invitation to the Board to hold the Spring 2015 Board Meeting in Montana to focus on the JAG/Indian youth statewide strategy.

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MCKINSEY & COMPANY PROJECT: JAG PARTNERSHIP MOVING FORWARD

As those attending the Board meeting on April 10 will recall, Mona Mourshed made a presentation on the “Generation Project,” which will engage one million young people across five countries in a new employment and training strategy. This initiative will tie young people directly to businesses upon graduation and create a process for training and development prior to internships and into employment. JAG has established a formal partnership with McKinsey & Company’s “Social Sector,” a 501(c)(3) set up to carry out the “Generation Project” initiative as at least a pilot project.

The upcoming next steps will include:

1. **Commitments by Jobs for Delaware Graduates and Jobs for Georgia's Graduates to serve as the initial Affiliates**, as directed by McKinsey, since McKinsey has employers in those locations ready to commit jobs in the healthcare and at least one other industry. The first pilots of the model in the U.S. will involve 50 young people in each state. The young people will begin their summer with an 8 to 12-week “Boot Camp” involving intensive skills training in entry-level healthcare occupations and possibly other categories. This training process will be followed by two-month paid internships with designated employers, with the expectation that they will then transition into full-time employment.
2. **As a national partner with McKinsey & Company’s “Generation Project,” at the end of May JAG will participate in two “hothouses”** – McKinsey’s term for completing the final design on the model, curriculum, and how young people will be supported throughout the training and development process. JAG will receive a \$25,000 grant from McKinsey to help cover the costs for the national support and coordination and the costs for senior consultants to JAG to participate in each of the hothouses. McKinsey will also cover travel, lodging, and other costs. In addition, McKinsey will enter into agreements with Jobs for Delaware Graduates and Jobs for Georgia's Graduates to provide the funding needed for on-the-ground support for the implementation of the model, continuing through the end of 2014.

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JAG BOARD MEETING (CONTINUED)

- * **A presentation by Mona Mourshed, who leads the Global Education Practice of McKinsey & Company.** Mona briefed the JAG Board on McKinsey’s global youth employment strategy and their plans to involve 1 million young people in five countries over the next three years. She proposed a partnership with JAG to test the model in two locations in the U.S. later in 2014, and then partner in expanding the model throughout the U.S.
- * **JAG’s overall growth strategy.** During this discussion, Governor Phil Bryant of Mississippi presented his goal of growing Jobs for Mississippi Graduates from the current 48 schools to 100 schools by the end of the 2015-16 school year. The Board discussed ways we could assist the Governor in achieving that goal.
- * **Plans for organizing the first-ever “National Youth Employment Summit,”** to be held in the fall by the U.S. Chamber of Commerce, the Business Roundtable, and Jobs for America's Graduates. Governor John Engler, President of the BRT and member of the JAG Board of Directors, strongly endorsed the strategy and emphasized the importance of re-directing state and private sector resources toward proven strategies for helping high-risk young people succeed both in-school and on-the-job.
- * **Interaction with students from Indiana** regarding some of the big issues they are facing in school, at home, and in their external environments, and how JAG is providing help. The students described in vivid detail some of the day-to-day issues that so many young people are dealing with, especially in their external environments.

MAINE AND FLORIDA RECEIVE INCREASED APPROPRIATIONS

While a number of Legislatures are still in session, we are delighted to report that there have been two major victories:

Under the leadership of the **Florida** Speaker of the House (Will Weatherford of our Board of Directors) and with the support of the Florida Legislature, a first-time \$3 million appropriation was approved as part of the budget that has now been sent to Governor Scott for final consideration. Since Governor Scott vetoed the last appropriation (we believe due to poor staff work and misnaming the line item), we have worked hard to ensure that the Governor is aware of the great success of Jobs for Florida's Graduates and Jobs for America's Graduates. We now have strong support from the members of the State Board of Education (appointed by the Governor), the Commissioner of Education, and additional strong support from many in the business community. However, we will continue to go all out to ensure that the Governor is fully aware of the level of support.

This appropriation will provide the opportunity to put Jobs for Florida's Graduates into operation statewide. A meeting was held with the Florida Commissioner of Education, Pam Stewart and the President of Jobs for Florida's Graduates, Heather Beaven, with Ken Smith joining by phone, to seek the Commissioner's guidance on how best to target these resources to accomplish the State's education and workforce objectives. The appropriation will also increase the program from approximately eight schools to as many as 50. A substantial number of schools will likely begin in the new school year, with other schools to launch on January 1.

Our deep and abiding appreciation to Speaker Weatherford for such sustained and committed leadership.

In **Maine**, despite an extremely difficult budget situation, the Governor and the Legislature agreed to increase funding by more than 12% – from \$2.3 million to \$2.6 million – which will allow the addition of 5-7 new schools in addition to the 70 locations already in place in Maine.

OTHER AFFILIATE FUNDING UPDATES

Missouri: We were disappointed that Governor Nixon's request for a first-time appropriation of \$50,000 for Jobs for Missouri Graduates, part of a much larger package to help high-risk youth succeed in the K-12 system, was not acted upon by the Legislature – along with many of the Governor's priorities – because the Republican-controlled Legislature anticipated a lack of funding.

Tennessee: The same situation occurred in Tennessee, where we were seeking a first-time and critically important appropriation of \$1 million. The sharp downturn in projected State revenues resulted in no new programs and reductions in others. As John Steele noted at the JAG Board meeting, we are especially pleased that the Speaker of the House, Congresswoman Marsha Blackburn, and the Mayor of Chattanooga have both agreed to join the new non-profit Board to help build and grow the 28-school organization in the state.

Iowa: The Legislature provided a modest increase of \$25,000 to the \$650,000 appropriation of the current year, which was up from the \$540,000 appropriation of the previous year. This increase will add at least one new school in Iowa.

Georgia: We are delighted to report that Michael Thurmond, a former member of the JAG Board of Directors and former Commissioner of Labor in Georgia, who is now the Superintendent of Schools in DeKalb County (adjacent to Atlanta), has secured support from his School Board to implement JAG in five schools in his district, with a \$30,000 commitment from the AT&T funds provided to JAG.

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AFFILIATE FUNDING UPDATES (CONTINUED)

New Mexico: JAG-New Mexico will be adding a charter school entirely focused on at-risk and disadvantaged youth to its current five programs. That school will provide exposure in the Albuquerque School District as well, while we continue to seek other sources of funding.

Washington State: We are delighted to report that Washington State will be adding eight schools with one-time commitments of funding for the opening of the new school year, bringing to a total of 43 the schools that will be in place in the state, including for the first time, a JAG program in Seattle. Kudos and appreciation to State Superintendent Randy Dorn of our Board for finding the additional resources to continue to expand the program.

Delta Regional Authority: The DRA funding is being committed to 12-14 new schools for the opening of the July 1, 2014 school year, with one-time \$20,000 incentive grants for each school to support the first-time testing of the JAG Model in those schools. Six states in the DRA region will participate in the program, and the incentive grants have already attracted more than \$500,000 of funding commitments, with more on the way.

Legislatures are still in session in a number of states, and at this hour, all look likely to approve appropriations at least at current levels, with the potential for increases in at least 3-5 other states.

RECOGNITION OF JAG AFFILIATE

Attached are a couple of articles that offer further evidence of the power and impact of the JAG Model in various ways. The first is an article that appeared in a major newspaper in Maine highlighting the Jobs for Maine's Graduates Career Development Conference. The second highlights the Financial Services Roundtable's recognition of UNUM for its extraordinary community service work, including its involvement with Jobs for Maine's Graduates as its "go to" youth partner.

2014 NATIONAL TRAINING SEMINAR, ORLANDO, FLORIDA

Approximately 200 are expected to participate in the Pre-NTS Professional Development Workshops at Disney's Coronado Springs Resort beginning on July 14 and concluding with a brunch on July 16. The Opening General Session for the 2014 National Training Seminar kicks off at 1:00 pm on Wednesday, July 16. Sixty workshops will be conducted by JAG partners, national trainers and local staff that were chosen by a selection committee. The Awards Dinner on Wednesday evening will feature the recognition of the Outstanding Specialists and the "5-of-5" State Organizations, Sites and Schools. The Outstanding Specialists will receive a cash award from the \$24,000 in donations provided by JAG Board members, Strategic Partnerships and its board members. Several JAG Board members and very special guests have been invited to speak at this year's National Training Seminar. Make plans to attend this year's Pre-NTS and National Training Seminar! The Pre-NTS/NTS Registration Packet can be downloaded from the home page at www.jag.org.

MCKINSEY & COMPANY PROJECT (CONTINUED)

Assuming those pilots test well at all levels – students, training program, employer internships – JAG will develop plans to roll out that model across other parts of the JAG "footprint" in 2015 and in other states where JAG does not have operations but where McKinsey has commitments from employers to provide jobs.

This strategy from McKinsey will immediately allow JAG's young people to participate in income-generating activities (Boot Camps) where specialized training will be provided, consistent with those skills employers have indicated they want young people to have prior to entering an internship. It is our hope that this model will provide a new means of accessing jobs in key industries with clear pathways for career progression through the partnership with McKinsey.