

**Region 4 Workforce Board
Finance - Executive Committees
Meeting Minutes
Wednesday, August 21, 2019**

Meeting Time: 8:00 a.m.
Method: Go To Meeting Conference Call.

Committee Member Participants: Alicia Hanawalt, Chair; Arden Cramer, Treasurer; Steve Snyder, Secretary; Deb Close, and Larry West

Excused: Michael Smith, Vice Chair

WDB Staff: Roger Feldhaus, Executive Director; Deb Waymire, Chief Operations Officer; Tara Bradley, Chief Financial Officer; Blake Sempstrott, Financial Coordinator; and Tina Overlay-Hilt, Executive Assistant.

Finance Committee

Arden Cramer called the Finance Committee meeting to order at 8:03 AM.

PY 18 Audit Update

Jake Dunton has been in the TAP office conducting the audit for the year ending 6/30/19. It seems to be going well. Jake is retiring after he completes the audit this year. We will need to begin the procurement process following the audit. Jake has agreed to assist with the procurement process and provided a list of names of potential auditors from the CPA Society. Procuring an auditor will be an agenda item for the Finance Committee meeting on October 16, 2019.

PY 18 Revenue and Expense Report – 6/30/19

Tara Bradley presented the PY18 Revenue and Expense Report for the period ending June 30, 2019. The report includes income by funding source and expenditures by line item. Based on the budgeted goal, we should be at or near 100% expended for most of the funding sources for the year. Overall, we are 74% expended. Noteworthy observations include the following:

WIOA Funding (IDWD)

- WIOA expenditures for PY18 are 86% of the amount budgeted. This will provide \$300,000 more carry-in for PY19 in addition to the 20% currently set aside. Dislocated Worker and Youth were the most under-expended.

Non-WIOA Funding (IDWD)

- *Skill UP 3* is over-expended at 105%. More funds were expended than were anticipated in PY18. The grant continues into PY19, so we have not overspent the total amount of the grant.
- *Jobs for Hoosiers* funds continue until December 31, 2019. Expenditure is based on the activity in the WorkOne centers. The grant may be extended or the unexpended funds may be returned to DWD.
- *TANF/JAG (Jobs for American's Graduates)* expended \$31,000 of \$50,000. Additional funding was received at the end of PY18. As the grant period continues, these funds will be fully expended.

Direct Federal Grant Revenue (USDOL)

- *Ready to Work (RTW)* ends on October 31, 2019. During PY18, staff focused on RTW and reaching those harder to serve individuals in order to expend the remaining funds. RTW expenditures were higher than APG for this reason.
- *America's Promise Grant (APG)* ends December 31, 2020. In PY 19 the focus will shift to expending APG funds.

TAP Revenue

- *TAP Unrestricted Funding* is the revenue received for the contract work Tara Bradley is doing in Region 1 for CWI and TAP's WorkKeys Profiling contract with DWD.
- *WHIN Funding* is a new grant for PY19.

The total revenue was just over \$6 million.

The bottom half of the report shows line item expenditures. Expenditures as of 6/30/19 were on target. Tara reported specifically on the following expenditures:

- *Occupancy, including Liability Insurance*, is over at 102% expended because of the additional cyber insurance that was not budgeted in PY18.
- *Staffing and Management Costs-WorkOne JAG, RESEA, JFH, TAA, WIOACM* is 105% expended because the budgeted line item does not reflect the additional funds received for RESEA.

Overall, total expenses were at 83% of the amount budgeted.

PY 18 Unrestricted Fund Analysis – 6/30/19

There are Board funds not attached to a specific grant or funding source and are from work done. At the recommendation of our auditor, we closed out the account for Community Mentoring Program which were funds for an organization that we do not directly control. The account shows a zero balance and will not appear on the report next year. The General column shows funds from Tara Bradley's work for CWI and Chris Waymire's work with WorkKeys profiling. WorkKeys Profiling generated \$31,717.10 of income over expenditures, which is moved to the Unrestricted Fund balance. The Unrestricted Fund balance as of June 30, 2019, is \$158,278.90.

PY 19 Revenue and Expense Budget

Tara presented the proposed Program Year 2019 Budget for Region 4.

WIOA Funding (IDWD). Region 4 received its new allocation that can be budgeted for PY19 & PY20. 20% will be set aside during PY19 and carried over for budgeting for PY20 Q1. 80% of the new allocation, plus the carry-in from PY18, will be budgeted for PY19. There was a significant decrease in newly allocated WIOA funds for PY19. However, there is approximately \$300,000 more available to be carried-in from PY18 than anticipated. In effect, the decrease in new allocations was made up by the extra carry-in. We do not expect to have this large an amount of carry-in in the future.

WIOA Administration line item is mostly used for TAP staff, including Business Consultants, once the Business Consultant line item funding is expended.

Non-WIOA Funding (IDWD).

- *Business Consultant* funds the same as PY18.
- *JAG State* – may change. Funds may be replaced with Vocational Rehabilitation funding and other funding during PY19.
- *RESEA Case Management Services* – more funding may be received during the program year.
- *Skill UP! 3* is ending during PY19.
- *WIOASP grant* – we are applying for another grant of this type

All told, we are anticipating a \$200,000 decrease in IDWD funding.

Direct Federal Grant Revenue (USDOL)

- *Ready to Work* grant period ends 10/31/2019. With four months remaining, we anticipate under-expending by \$1 million.
- *America's Promise* grant period ends 12/31/2020. The amount of the allocation estimated to be spent during PY19 is \$1.2 million.

TAP Revenue

- *Unrestricted* –We anticipate \$65,000 in income from our contract with the Center for Workforce Innovation for professional services; \$363,885 for WHIN grant-funded activities; \$50,000 in Caterpillar

Foundation grant funds; and \$152,000 in WorkKeys Profiling contract funding.

Total Available to Budget - \$6,226,228 for PY19, which is a decrease of \$1.5 million compared to PY18.

PY 19 Proposed Budgeted Line Item Expenditures

Most line items show a decrease. Line items from *Salaries* through *WDB Discretionary* are costs for central office operational and administrative functions. The remaining line items are the costs for operating the WorkOne System.

- *Salaries – Fringe Benefits* decrease of two staff at TAP; Chris Waymire, retiring, and Lisa Smith, RTW grant ending. There is a salary/cost of living adjustment for the TAP staff included in the budget to keep pace with the COL. There was no adjustment made last year.
- *Professional Services* – there is a decrease in WorkKeys contacted services costs and in costs for drug screening related to the RTW grant.
- *WorkOne Center Overhead Costs* – the decrease is due to the anticipated need to close the WorkOne REACH office in Lafayette. If that happens, staff would be relocated to the TAP office and the Lafayette WorkOne.
- *Direct Participant Costs-Ready to Work and WorkOne RTW/Skill UP/APG Staffing and Management Costs*—the decrease is due to the ending of RTW grant in October 2019.
- *Board Discretionary*—based on last year’s expenditures, the amount budgeted will decrease by \$1,600.

Arden Cramer thanked everyone for their work on the budget to have the least impact on those served.

A motion was made to approve the proposed PY19 Budget for presentation to the full Board and the RCEO.

Motion: Larry West

Second: Arden Cramer

Action: Unanimous approval

Finance Committee adjourned at 8:37 AM

Executive Committee

Alicia Hanawalt called the Executive Committee meeting to order at 8:37 AM.

Operations

WIOA Performance Support Grant 2

DWD made available \$1.5 million of WIOA Performance Support funds for regional WDBs. This is the second such grant opportunity. Region 4 submitted a proposal seeking \$185,000 to provide more vestibule, new-hire training, as well as for the development of a community training model that will replicate the RTW model. Individuals will earn certifications that document the skills needed to be successful in manufacturing settings. The grant recipients will be announced on September 9, 2019.

Workforce Ready Fund Request

DWD also sent a request to the regional WDBs for proposals for the use of a portion of the Workforce Ready Grant funds. \$700,000 was made available to the regions statewide to support CDL-A and CNA training. Funds will be used for individuals who are adult education participants and co-enrolled in WorkOne services. Region 4 submitted a request for \$145,000.

WHIN Grant Update

Region 4 submitted a proposal for \$728,000 of WHIN Regional Cultivation Funds. We have received \$360,000 for the first year of a two-year proposal. We expect year two to be funded for the same amount, assuming we demonstrate progress during year one and sustainability of the initiative after the grant period ends. The grant is to help K-12 students gain career awareness and skills for advanced manufacturing careers with hands-on

activities such as Coder DoJos, Robotics Camps, Design & Make School Laboratories, and Manufacturing Week activities. Purdue University is conducting a study on the participating youth that will track the results of student involvement in these activities, the increase in student awareness of manufacturing careers, and the likelihood that students will pursue careers in manufacturing.

APG Grant Evaluation Study

We are currently participating in an evaluative study of our America's Promise Grant (APG)-funded project. The evaluation is sponsored by the U.S. Department of Labor for selected APG grantees. Some of the evaluation process has been done through phone calls and surveys. USDOL will examine our APG data to determine how our project was implemented and what effect our intervention had on those who were served.

WIOA MOU Process

Region 4's WIOA MOU-IFA (Memorandum of Understanding-Infrastructure Funding Agreement) process is underway with our required WIOA partners. A meeting of the partners was held on Friday, August 16, 2019. Partners were in agreement with the draft MOU and are reviewing their portion of the MOU in order to make any final revisions and/or additions. The MOU-IFA must be completed by October 1, 2019.

Administration

WDB Member Recruitment & Renewals

The following Executive/Finance committee members' WDB terms expired 6/30/19: Steve Snyder, Arden Cramer Deb Close, and Larry West. Roger Feldhaus asked each to continue to serve and for permission to submit their names for reappointment for a 2-year term to Region 4 Chief Elected Official, Mayor Tony Roswarski. All agreed. Randy Vernon's and Michelle Simmons' terms also expire. Yvonne Smith has recently left her position as Lafayette Adult Resource Academy's Executive Director and will no longer serve on the WDB. A replacement will need to be identified to fill the vacancy. Mike Barnes, DWD's Chief Workforce Officer, was appointed by Commissioner Payne to replace Nick Goodwin. There are three potential new Board members representing business and manufacturing: Karen Mellen, HR & Training Development Specialist with Haynes International; Jim Woolf with Fiat Chrysler Automobiles; and Mike Federspill with MPI. Ms. Mellen has agreed to serve and is working through the nomination/appointment process. We are looking for an industrial labor organization apprenticeship program representative.

Roger would like to propose that those currently serving as officers continue to serve for another year. Roger will reach out to Mike Smith who was not in attendance. All agreed. The slate of officer candidates including Alicia Hanawalt, chair; Mike Smith, vice chair; Steve Snyder, secretary; and Arden Cramer, treasurer will be presented to the Board for a vote on September 25, 2019.

INWBA Proposed Bylaw Changes

There is discussion about the organization of INWBA and its membership. Under consideration is a change in the bylaws that would affect voting member status and executive committee composition. It is difficult to get full participation from the WDB members. A workgroup is in the process of proposing bylaws changes to be voted on at INWBA's September meeting.

October 3, 2019 Retreat

The Regional Workforce Professionals Retreat will be held on Thursday, October 3, 2019, in Indianapolis. Larry West and Alicia Hanawalt have registered to attend the event. A request will be sent to Cindy George to forward an invitation Karen Mellen, our newest "member in waiting". Members are encouraged to attend. A lot of good information and networking opportunities will be available.

Extended WDB Meeting on September 25, 2019

The WDB meeting on September 25, 2019, will be extended by a couple of hours to provide more time for the regular Board meeting agenda and time to review, update, and report progress on meeting the priorities of the

Board's Strategic Plan. The meeting will be held at WorkOne REACH in Lafayette.

Chris Waymire Retirement

Chris Waymire retired from TAP on July 31, 2019. A celebration was held to honor him and his career with workforce development. Close to 100 guests attended with best wishes for Chris. Chris will continue under a professional service agreement to oversee WorkKeys Profiling. He will also volunteer to help lead BPE (Business & Professional Exchange) on Monday mornings.

Adjournment

The Executive Committee meeting adjourned at 9:10 AM.