

**Region 4 Workforce Board
Finance - Executive Committees
Meeting Minutes
Wednesday, August 25, 2021**

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

Committee Member Participants: Randy Vernon, Chair; Karen Mellen, Vice Chair; Arden Cramer, Treasurer.
Excused: Steve Snyder, Secretary; and Deb Close, Member
WDB Staff: Roger Feldhaus, Executive Director; Tara Bradley, Chief Financial Officer; Deb Waymire, Chief Operations Officer; Blake Sempstrott, Financial Coordinator; and Tina Overley-Hilt, Executive Assistant.

Finance Committee

Arden Cramer called the Finance Committee meeting to order at 8:00 a.m. for one last time. Arden is retiring as President and CEO of Logansport Savings Bank on Friday, August 27, 2021, and is stepping away from his roles with the Region 4 Workforce Board and its Finance and Executive Committees. We wish Arden a happy retirement.

PY20 Revenue and Expense Report – 6/30/2021

Tara Bradley presented the final PY20 Revenue and Expense Report for period ending 6/30/2021. The report includes income by funding source and expenditures by line item. The top portion shows the funds available for expenditure in PY20. Noteworthy observations include the following:

WIOA Formula-Allocated Funding (IDWD)

- *WIOA* expenditures for PY20 ended at 80% for the year. JobWorks, Inc. received a PPP loan which reduced the *WIOA* expenditures allowing for a larger carry-in for PY 21.
- *Dislocated Worker* is 119% expended. It is over what was budgeted but not over the amounts of funds available.
- DWD holds regions to a budgeting requirement for *WIOA* not an expenditure requirement.

Other Non-WIOA Funding (IDWD)

- These are State and Federal funds that are not formula-allocated.
 - *JAG State (Jobs for America's Graduates)* in the amount of \$511,806 and *JAG Vocational Rehabilitation (VR) Pre-Employment Transition Services (Pre-ETS)* in the amount of \$58,063. Pre-ETS funds are to assist JAG students who are Vocational Rehabilitation-eligible.
 - *Next Level Jobs Workforce Training Grant* was a short-term grant, made possible through the Coronavirus Aid, Recovery, and Economic Security (CARES) Act ended in December 2020. Funds were 30% expended. The extra funds will not carry over to PY 21.

Direct Federal Grant Revenue (USDOL)

- *America's Promise Grant (APG)* will end 12/31/2021. The funds will carry over to PY 21 but will not be budgeted at a 100% expenditure rate.
- *USDOL H-1B Rural Healthcare Grant* is a newer 4-year grant, 2/1/2021—1/31/2025. Funds will carry over.

TAP Revenue

- *TAP Unrestricted Funding* is under-expended because of less consulting work performed by Tara Bradley due to the pandemic.
- *WHIN (Wabash Heartland Innovation Network)* funding will be carried over to expend throughout PY 21.

The bottom half of the report shows line item expenditures compared to the straight-line budget for the period. For the most part, we are within the budget guidelines for expenditures.

- *Travel and Staff Development* was under-expended due to the pandemic.
- *Professional Services including IT* is over-expended because WHIN funds were not fully budgeted at the beginning of the program year, also due to the pandemic.
- *WorkOne Center Overhead Costs—including APG Outreach Costs*—are over-expended due to special COVID grant funding received.

PY 21 Revenue and Expense Preliminary Budget (July 1, 2021-June 30, 2022)

Tara Bradley presented the proposed Program Year 2021 Budget (July 1, 2021-June 30, 2022)

Allocated WIOA Funding (IDWD).

Region 4 received its new WIOA allocation that will have a two-year life beginning July 1, 2021. 20% of the allocation will be set aside for carry-over into PY22. 80% of the new allocation, plus the carry-in from PY20, will be budgeted for PY21. There are revenue and grant budget items not shown because the funds have not been received, which may reflect substantial increases in the PY 21 budget. There was a 24% increase in the new WIOA allocations for PY21 and a greater amount of funds carried in from PY20.

Total Projected WIOA Funding Available to Budget: \$2,977,415—an increase of \$590,030 for PY21.

Non-Allocated WIOA/State Funding (IDWD)

- *Business Consultant* remained at \$120,000.
- *Apprenticeship State Expansion (ASE), Disaster Recovery and Employment Recovery COVID grants* are multi-year and funds are carried-in to PY21.
- *Next Level Jobs Employer Training* funds received in PY20 in the amount of \$125,000 were administrative/overhead funds. An additional \$450,000 was received prior to July 1 and will be used for administration and reimbursement for employers.
- *RESEA (Reemployment Services and Eligibility Assessment)* – Original budgeted funds were decreased but additional funds are anticipated for PY21.
- *UI COVID/RR COVID* is another small grant for \$97,988 to be used for hiring staff to assist with the increased UI traffic in the WorkOne Centers

Total Non-Allocated WIOA/State Funding Available to Budget: \$1,869,550—a decrease of \$379,569 for PY21.

Total IDWD Funding - \$4,846,965, an increase of \$210,461 for PY 21.

US Department of Labor

- *Rural Healthcare Grant* - \$616,820 is the amount of the four-year grant set aside for PY21.
- *America’s Promise Grant* anticipates spending \$500,000 during the next six months before the grant ends on 12/31/2021.

Total USDOL Federal Grant Funding Available to Budget - \$1,116,820 for PY21.

TAP Revenue

- *Unrestricted* -There is currently no contract for work with Region 1 unless assistance is needed for monitoring.
- *WHIN Grant* was extended and the funds available for PY21 are \$210,757.
- *WorkKeys* available funding is \$210,250.

Total TAP Revenue and Unrestricted Funding Available to Budget – \$421,007.

Total Funding Available to Budget - \$6,384,792 for PY21. This is a decrease of \$775,547 from PY20.

PY21 Proposed Budgeted Line Item Expenditures

April Gilman’s leaving for an opportunity with DWD. Based on the utilization of the business consultant funds and expanded business services, the position will not be filled at the TAP level. The position will be filled at the Service Provider level. Also, the Lafayette REACH office was closed as of March 31, 2021. REACH services are now available directly through the WorkOne Kokomo and WorkOne Lafayette offices. The closure makes up for some of the decreases in the expenses.

- *Salaries and Fringe Benefits* for seven TAP staff. The Executive staff is proposing a 2.5% merit increase and a 5.0% cost of living increase for PY21. There was no salary increase for the TAP staff during PY20. Tara Bradley reviewed an Indiana Not-for-Profit salary analysis. With the adjustments, TAP is in alignment with the mid-point based on size and budget with the rest of the state. TAP is managing additional grants without increasing staff. Funding will be available to support any salary decisions. There is still an overall decrease in staff salaries with the increase due to one less staff person.
- There are decreases in *Travel & Staff Development*. There are costs set aside for travel if necessary for the federal grants or to attend the NAWB Forum.
- *Professional Services* is increased significantly for WorkKeys Profiling, WHIN grant activity and IT for cyber security recommendation for multi-factor authentication across the region from the cyber security insurance company.
- *WorkOne Center Overhead Costs* decrease due to closing the Lafayette REACH Center.
- *Direct Participant Cost-WIOA Adult and Dislocated Worker* will increase because of the increase in WIOA allocations.
- *Direct Participant Costs-JAG, COVID Grants, Apprenticeship State Expansion, Next Level Jobs and Direct Participant Costs, America’s Promise and Rural Health Grants* decreased because of federal grant decreases.
- *WorkOne WIOA Staffing & Management Costs* increased due to the increase in staff.
- *WorkOne America’s Promise & Rural Health Grant Staffing & Management Costs* are less due to the decrease in APG staff and the APG grant ending on December 31, 2021.

There is a proposed budget of **\$6,200,668** with \$184,000 still unbudgeted for admin costs. (Not budgeting at 100% provides leeway when considering cost allocations.) This is the budget the Executive Staff recommends for the Finance and Executive Committees to approve for the full Board’s consideration.

A motion was made to recommend the proposed PY 21 Revenue and Expense Preliminary Budget with the increase of TAP Staff salaries as presented by Tara Bradley, Chief Financial Officer, for approval of the Board on September 22, 2021.

Motion: Arden Cramer

Second: Randy Vernon

Action: Unanimous approval

Adjournment

Finance Committee adjourned at 8:35 a.m.

Executive Committee

Randy Vernon called the Executive Committee meeting to order at 8:35 a.m.

Operations

USDOL Disaster Recovery Grant Monitoring

USDOL is in the process of a monitoring review of the Disaster Recovery Grant. The grant was awarded in May 2020 to support the development of temporary employment to help during the pandemic. We supported Food Finders' employment of warehouse workers and drivers for mobile food pantries as they deliver food across our 12-county region. We also supported Logansport Memorial Hospital's hiring of more temporary workers to carry out hygienic and disinfectant processes in response to the rise in COVID-19 cases in their community. It is a challenging grant to establish quickly. It is also a different kind of disaster recovery than for such disasters as fire, flooding and others. There have been several changes throughout the process and guidance from USDOL and DWD. It is a DOL monitoring of the State and as a part of the overall monitoring requirement, DOL selected two service delivery areas to include in the monitoring. The two service areas selected were Regions 4 and 5. The review will end this week. DOL will have 45 days to provide any findings or observations for us to respond to. We did the very best we could with the information we had and will see what the review reveals to us.

DWD Performance Support Grant Proposal

We submitted a proposal for a DWD Performance Support Grant for the period September 2021-March 2023. We chose to submit a proposal for three programs/initiatives.

- One proposal was to support the continuation and sustaining of the Kokomo area USDOL Youth Career Connect Grant activities. The funding would be used to support internships and work-based learning. We partnered with Ivy Tech Kokomo to assist up to 480 students in seven schools in the ITEP (Integrated Technology Education Program). It will help students get certifications in MSSC-Certified Production Technician, Automotive-ASE certification, HVAC certifications, and CNA certifications in healthcare. The amount of this proposal was for \$100,000.
- Another proposal was to support the initiative called WorkLife Navigator. Navigators partner with employers to help stabilize and retain their workers who face challenges that negatively affect their productivity. The Navigator could lead the individual to the root cause of the issue and direct them to the right resources. This is a \$150,000 investment and the Navigator could serve up to 400 employees. WorkLife Partnership would hire and train the individual to serve as the navigator and then provide us with the data.
- The third project in the proposal was to request additional funding for the Employer Training Grant. Companies had a portal to apply for funding to train employees. Employers could request up to \$50,000 to train up to ten employees. Region 4 received requests for \$1.6 million to support training but was allocated only \$420,000. The proposal is asking for an additional \$1.1 million to support the training requests.

We should be notified by August 23, 2021, but no information has been released yet.

Apprenticeship Grant Update

Region 4 received a \$100,000 grant to increase the number of individuals in apprenticeship programs. The funds are fully obligated at this time. We are working with eight employers and/or trades including Electrical Workers, Plumbers and Steamfitters, Stellantis (FCA/Chrysler), Haynes, Caterpillar, Pace Dairy and Chariot Motors. The grant is open until May 2022. We have met the goal of 67 individuals brought into an apprenticeship program and have sponsored two companies to build apprenticeship programs.

Administration

Executive Director-Out of Office during June

On Memorial Day Roger was in a mountain biking accident while vacationing with family in Florida. He was in the

hospital for a week and recovering in Florida with his family for two more weeks. He sustained fractures of the vertebra in the neck, severe facial lacerations, and concussion. Roger was fortunate to have avoided more serious injuries, for the great medical care he received, and for the “home away from home” to recover. He is past the critical three-month initial recovery period and does not expect any ongoing difficulties, although full recovery will take longer than three months.

READI Grant Applications from Region 4 Groups

Regional Economic Acceleration and Development Initiative (READI) is an opportunity for community partners to team up and come up with innovative ideas to attract and retain talent. The application deadline was extended until the end of August 2021. More than ten groups will be submitting applications to be considered. There is \$500 million is available statewide. Each regional group may receive up to \$50 million. A 4:1 cash match is required. This is an economic development initiative with which we will want to align ourselves and support the economic development groups that are applying from counties and communities we serve.

New Ideas and Opportunities:

- Here are **three key words** that are emerging in organizations everywhere:
 - Diversity
 - Equity
 - Inclusion

It behooves us to understand their meaning and application in the context of workforce development.

Career & Technical Education -Governor’s Workforce Cabinet is looking at ways to involve local workforce boards in the process through which Career and Technical Education (CTE) programs are funded. We want to make sure that the education and training priorities and investments we support are in alignment with our priorities.

Innovative Workforce Strategies Presentation (omitted during meeting)

Resumption of DWD’s WorkOne Innovation Project

DWD staff is putting together a WorkOne Innovation Project plan looking at increasing the exposure of the WorkOne system with employers and re-branding “who” and “what” WorkOne is and does. The Asher Agency is a marketing firm hired for the project. Mike Barnes may give an update during the Board meeting on September 22, 2021.

Establishment of Rural Healthcare Advisory Board

TAP will be establishing a Rural Healthcare Advisory Board as a part of the requirements for the Rural Healthcare Grant. The advisory board will include five or six outside entities which will help provide support of the grant. The Director of the Bowen Center (Health and Research Policy Center) is interested in working with us.

Commissioner’s “Round Table” postponed

A regional tour with Commissioner Fred Payne was scheduled for Tuesday, August 17, 2021. The roundtable discussion was to include the Region 4 Chief Elected Official and Board Chair along with six key stakeholders. The event was postponed due to the recent spike in COVID numbers. The plan is to reschedule.

TAP’s Concern-Health Insurance Benefits for Staff

TAP Board staff is concerned about the inability to meet the health insurance needs of staff in the attraction of potential new staff and retention of current staff. A healthcare allowance is currently provided to staff but is not sufficient. Staff is looking into opportunities and will revisit the issue with the committee and the Board in the future.

WDB Membership Renewal and Replacement

Several WDB member's terms expire on September 30, 2021. Roger Feldhaus will be contacting each member to see if they are interested in serving another two-year term. There are two replacements that need to be appointed for Larry West and Arden Cramer. We hope everyone will agree to continue to serve. Arden recommended Matt Lewellen, Steinberger Construction, as a possible Cass County replacement on the WDB Board.

WDB Meeting – September 22, 2021 – In-person/Virtual

Feedback was requested from the Executive Committee regarding virtual or in-person meeting for the WDB Meeting on September 22, 2021. The committee decided to hold the meeting virtually using GoToMeeting due to the rise in the COVID numbers. Board members will be notified of the change in meeting style.

WDB Annual Meeting Options

The Committee discussed the options for the WDB Annual event slated for November 18, 2021. With the increase in COVID numbers and the proximity to Thanksgiving holiday, an in-person event may not be the best option. A scaled-back event is a possibility. The topic will be presented to the Board on September 22, 2021, to discuss. A concern was expressed about the timeline needed to schedule an event. Tina Overlay-Hilt said she would begin to look into venues, times available and other possible virtual type events.

Adjournment

The Executive Committee meeting adjourned at 9:20 a.m.