

**COMBINED FINANCE/EXECUTIVE COMMITTEE MEETING AGENDA**

AUGUST 29, 2023

9:00 AM-10:30 AM

GOTO MEETING CONFERENCE CALL

**Participants: If you have chosen to call in, please do so 5 minutes prior to the start of the meeting.**

**Expected Finance Committee Participants:** Randy Vernon, Matt Lewellen, Holly Moore, Steve Snyder.

**Expected Executive Committee Participants:** Randy Vernon, Matt Lewellen, Holly Moore Steve Snyder

**WDB staff and guests:** Roger Feldhaus, Executive Director; Deb Waymire, COO; Blake Sempsrott, Controller, and Tina Overley-Hilt, Executive Assistant.

**Other Expected Attendees:** Carla Crowe, Project Manager, Crowe LLP.

**Call In Information:**

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/832323493>

United States: +1 (224) 501-3412

- One-touch: <tel:+12245013412,,832323493#>

Access Code: 832-323-493

Time	Finance / Executive Committee Topic	Presenter	Action
9:00 AM	Call to Order	Randy Vernon	
9:05 AM	Fiscal <ul style="list-style-type: none"> <li>• PY 22 Revenue &amp; Expense Report (ending 6/30/2023) Year-end</li> <li>• PY 23 Revenue &amp; Expense Budget</li> </ul>	Carla Crowe Blake Sempsrott Carla Crowe Blake Sempsrott	Information  Approval
9:30 AM	Operations <ul style="list-style-type: none"> <li>• Peru WorkOne Office</li> <li>• DWD WorkKeys RFP -BAFO</li> <li>• WARN Notices-Rapid Response Grant Funding</li> <li>• State Expansion of JAG</li> </ul>	Deb Waymire	
10:00 AM	Administration <ul style="list-style-type: none"> <li>• New Board Member Appointments</li> <li>• Succession Planning Progress</li> <li>• Good Jobs, Great Cities Academy Update</li> <li>• Annual Event</li> </ul>	Roger Feldhaus	
10:30 AM	Adjourn	Randy Vernon	<b>Action</b>

**Region 4 Workforce Board  
Executive-Finance Committee  
Meeting Minutes  
Tuesday, August 29, 2023  
(Rescheduled date)**

**Meeting Time:** 9:00 AM  
**Method:** Virtual - GoTo Meeting Conference Call.

**Committee Member Participants:** Randy Vernon, Chair; Matt Lewellen, Vice Chair; Holly Moore, Treasurer; Steve Snyder, Secretary.

**WDB Staff:** Roger Feldhaus, Executive Director; Deb Waymire, Chief Operations Officer; Blake Sempsrott, Controller and Tina Overley-Hilt, Executive Assistant

**Other Attendees:**

**Absent:** Carla Crowe, Crowe LLC

**Executive-Finance Committee**

Randy Vernon, Executive Committee Chair, called Executive-Finance Committee meeting to order at 9:00 AM.

**Operations**

Deb Waymire, Chief Operations Officer, presented the Operations update.

***Peru WorkOne Office***

We are looking at ways to minimize the impact of the budget cuts by reviewing the costs and customer traffic at the WorkOne offices. We are considering closing the Peru WorkOne site and providing services one day a week at the Ivy Tech-Peru campus. The annual average cost to operate the office is \$30,500. Staff will relocate and support the Kokomo WorkOne staff. Most of the activity at the Peru WorkOne office has been for unemployment insurance assistance which is available virtually or at another of our offices. This consideration will be presented to the Board during the September 27<sup>th</sup> meeting. The Peru WorkOne lease ends November 15, 2023.

***DWD WorkKeys RFP-BAFO***

DWD issued an RFP for WorkKeys services. Region 4 is currently the provider of WorkKeys profiling and assessment in Indiana. A proposal was submitted. DWD requested a "best and final offer" and a response was sent. The Committee will be updated when the contract is awarded.

***WARN Notices-Rapid Response Grant Funding***

There are two companies in Kokomo that notified the State of Indiana that they will experience a mass layoff or closing of their facility. BorgWarner will lay off 82 employees and Trialon will lay off 110 employees effective October 22, 2023. SUS Die Casting in Logansport will have a permanent layoff of 25 employees. There is grant funding available to assist individuals with training for new careers. One funding source available is a \$25,000 outreach grant to connect with the workers to engage in WorkOne services, training, and job fairs. The second grant is to upskill and train the employees for new careers.

***State Expansion of JAG Program***

Governor Holcomb issued a press release about funding for the expansion of the JAG program. Family and Social Services Administration (FSSA) will invest \$23 million to expand JAG program across Indiana from 125 programs to 250 programs over a two-year period. Region 4 has seven JAG programs and is in conversations with two schools about expansion. We are analyzing all the high

schools in Region 4 to see if they meet the criteria for a JAG program. JAG is a great program, and it is encouraging that more funding is available. The link with the press release will be emailed to Committee members.

### **Administration**

Roger Feldhaus, Executive Director, presented an Administration update.

### **New Board Member Appointments**

Three new individuals have been appointed to the WDB Board representing businesses in Region 4.

- Melissa Harwood, HR Manager, Tipmont REMC Wintek; representing Montgomery and Tippecanoe Counties
- Matt Huston, President, Huston Electric; representing Howard and Tippecanoe Counties
- Donte Wilburn, owner, Premier Auto Detailing; representing Howard and Tippecanoe Counties

### **Succession Planning Progress**

The Succession Planning Committee has met several times and developed plans for both Chief Executive Officer and Chief Operations Officer positions. The metric to evaluate candidates during the interview process needs to be developed. The Committee will request the Board's approval of the succession plans at the September 27, 2023, WDB Meeting. The Chief Executive Officer position will be advertised after the Board's approval. The Chief Operations Officer position will be posted later. Matt Lewellen will present the Succession Planning Committee report to the Board.

### **Good Jobs, Great Cities Academy**

The city of Kokomo is taking part in the Good Jobs, Great Cities Academy. The city will work with a cohort led by the National League of Cities and the U.S. Department of Labor to accelerate and launch a workforce plan to build pathways to good jobs. The action plan of the Kokomo cohort will be sent to Committee members.

### **Annual Event**

Committee members gave feedback on this year's annual event. Planning will move forward with a small luncheon event in November. Possible invitees include WDB Board and Board staff, Chief Local Elected Officials (CLEO), and Local Economic Development Officials (LEDO).

### **Finance**

#### **PY22 Revenue and Expense Report – 6/30/2023**

Blake presented the PY 22 Revenue and Expense Report for the period ending 6/30/2023.

Noteworthy observations include the following:

#### **WIOA Formula-Allocated Funding (IDWD)**

- WIOA expenditure ended at 100% for PY 22, not providing additional WIOA carry-in for PY 23.
  - WIOA Adult – Expenditures appear to be over-expended and Dislocated Worker under-expended. There is a flexibility to move funds between Adult and Dislocated Worker funding streams.

#### **Other Non-WIOA Funding (IDWD)**

- RESEA expenditures ended at 152%. Additional RESEA funding was received during PY 22, but the budget was not adjusted to reflect the additional funds.
- Next Level Jobs Employer Training Grant: There are challenges with the reporting system used by employers to submit invoices. We anticipate funds to be fully expended by the end of the grant on December 31, 2023.

- *WIOA Support Grant #4* was over projected for the year but anticipate fully expended by the end of the grant on December 31, 2023.

**Direct Federal Grant Revenue (USDOL)**

- *Rural Healthcare Grant*- Region 4 along with eight other regions is serving participants to train for and fill entry level positions in healthcare occupations in rural areas. Expenditure for PY 22 ended at 120% of the budgeted amount. The grant runs through January 2025.

The bottom half of the report shows line-item expenditures compared to the straight-line budget for the period.

- *Salaries and Fringe Benefits* are low. Rather than filling the vacant CFO role we are moving forward with our Controller, Blake, and our contracted financial services provider, Crowe LLC.
- *Travel & Staff Development* is 80% over due to the WDB members attending the NAWB Forum which was not budgeted in PY 22.
- *Professional Services including IT* includes WorkKeys Profiling which was not fully expended. It is projected for WorkKeys to be fully spent in PY 23 due to increased activity.
- *Direct Participant Costs (Adult, Dislocated Worker, Youth)* are under-expended. JobWorks made some budget adjustment to finish PY 22. Youth direct participant costs of 20% expenditure was achieved.
- *Direct Participant Costs (JAG, NLJ, PSG, WRG)* are significantly under because of the slow submission of invoices.
- *Direct Participant Costs (RHG)* are significantly higher because there is an increase in activity in the regions involved with the grant.
- *Staffing and Management Costs (WorkOne WIOA)* are slightly higher because of the request by JobWorks to use other funding for staff to finish PY 22. We will evaluate throughout PY 23 to ensure funding is available to support staff and WorkOne operations.
- *Staffing and Management Costs (JAG, RESEA, PSG, BC, ABA)* is high because additional funding was received during the program year after the original budget was approved.
- *Staffing and Management Costs (WorkOne RHG)* are running low because some regions have not utilized the staffing and management funds. Funding may be redistributed to regions who could benefit from additional funds.

**PY23 Revenue and Expense Preliminary Budget (July 1, 2023-June 30, 2024)**

Blake Sempsrott presented the proposed preliminary budget for Program Year 2023 (*July 1, 2023-June 30, 2024*). The budget format will be updated throughout the program year to reflect any significant change including additional revenue. There was a decrease in the new WIOA allocations for PY23. The areas of difference in the budget compared to PY 22 were shared with the Committee.

- Salaries and Fringe Benefits decreased due to the vacant CFO role and no salary increase planned for the Executive staff.
- There is an increase in cyber insurance coverage. A recommendation was made to explore a data defender policy under management liability insurance coverage.
- The replacement plan for IT equipment has been scaled down under Supplies and Equipment and WorkOne Direct Services.
- Professional services decreased with the addition of Crowe, LLC financial services and fully budgeting WorkKeys because the partnership with WorkLife Partnership ended.
- WorkOne Direct Services is reduced partially due to closing of brick-and-mortar offices, and scaling back IT equipment purchases. A recommendation was made to consider decreases in the Janitorial Services.

The PY23 Projected Budget is \$6,832,058; a decrease of \$2,056,534 compared to PY22. This is the

budget the Executive Staff recommends for the Executive-Finance Committee to approve for the full Board's consideration.

**A motion was made to recommend the proposed PY 23 Revenue and Expense Preliminary Budget for approval of the Board on September 27, 2023.**

**Motion:** Matt Lewellen

**Second:** Holly Moore

**Action:** Unanimous approval

### **Adjournment**

The Finance/Executive Committee meeting adjourned at 10:45 a.m.