

**Region 4 Workforce Board
Executive-Finance Committee
Meeting Minutes
Wednesday, December 20, 2023**

Meeting Time: 8:00 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 Sempstrott, Controller; and Tina Overley-Hilt, Executive Assistant

Other Attendees: Carla Crowe, Crowe LLC

Executive-Finance Committee

Randy Vernon, Executive Committee Chair, called the Executive-Finance Committee meeting to order at 8:05 AM.

Finance

PY23 Revenue and Expense Report –11/30/2023

Carla Crowe, Crowe LLC, presented the PY 23 Revenue and Expense Report for the period ending 11/30/2023. Additional funding sources and budget adjustments were added to the finance report and were highlighted for the Committee. Noteworthy observations include the following:

The top half of the report shows the Total Available to Budget for PY 23. The following additional funding was received since the previous financial report. Rapid Response received an additional \$99,600 and JAG TANF received an additional \$100,000. There was a funding adjustment lowering Next Level Jobs for PY 23 to account for funds that were expensed back to PY 22.

Total DWD Adjusted Funding is \$4,439,347

Total Funds Available to Budget is \$5.4 Million with \$946,116 to Carry-In for PY 24.

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

- *Direct Participant Costs (DWD)-ABA, JAG, NLJ, PSG, WRG* –expenditures decreased to reflect the available budget adjustment amount.
- *Service Provision-Staffing and Management Costs* increased because of the JAG TANF and Rapid Response funds received.

Total Expenses are \$2,028,111. The overall percentage of 34% is slightly below the 44% benchmark.

PY22 Audit Update

Blake Sempstrott provided an update on the PY 22 audit report. The audit firm, Huth Thompson, is completing the audit. There are no concerns regarding the misuse of funds. There may be a control deficiency or material weakness concerning internal controls for the period of July 2022-February 2023. Carla Crowe and Crowe, LLP will satisfy the deficiency in internal controls. There are conversations about the new lease standards but do not expect any deficiency or material weakness in the audit report. It is a GAAP requirement that leases for more than 12 months will show as an asset and a liability on the balance sheet. Huth Thompson will schedule a presentation of the final audit report to the Board when available.

Operations

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

One-Stop Center Certification

WIOA requires a review and evaluation every three years of the One-Stop Centers' processes and procedures. There are two comprehensive offices (Lafayette and Kokomo) and two affiliate offices (Logansport and Peru). Randy Vernon and Steve Snyder volunteered to serve on the One-Stop Certification team again this year along with Deb Waymire and Mellisa Leaming. The completed report will be shared with the Board. The review report for re-certification of the WorkOne offices is due March 31, 2024.

Rural Healthcare Grant Update (RHG)

There were five regions involved with the modifications of RHG funds. Region 3 received an increase of \$58,500; Region 4 received an increase of \$61,510, Region 9 received an increase of \$56,576. Region 6 had a \$140,000 de-obligation and Region 11 had \$42,205 de-obligated. Region 10 is struggling, and we will continue to monitor it on a month-to-month basis. The Rural Healthcare Grant is performing well, and we anticipate reaching all goals set forth in the grant.

Logansport Memorial Hospital is looking for training opportunities. We will contact our Service Provider to connect with them to discuss.

Pathways to Infrastructure Grant

Region 4 was awarded a \$2 million, five-year USDOL *Building Pathways to Infrastructure Jobs Grant-Regional Electrical Vehicle* (REV) to upskill seven hundred individuals in electric vehicle battery manufacturing. The funding has not been received yet. There is a delay reviewing our response to the Conditions of Award. The companies involved with the grant include StarPlus Energy, the new electric battery manufacturer in Kokomo; Stellantis for the manufacturing of electric vehicles; and companies involved with the solar panel charging station manufacturing. A meeting will be set up with the REV Advisory group and include the DWD Commissioner to see the unique opportunities happening in Region 4.

Wagner-Peyser Rule Making

There are state staff in the WorkOne offices whose salaries are funded by the Wagner-Peyser (WP) funding stream. With the new rule making, there are certain functions that may only be performed by state merit staff. It is still being defined what is considered a state merit staff function. The goal is to do this in a manner that is the least disruptive to the customer. There are 10 WP staff in Region 4.

RESEA Funding Change

RESEA is the reemployment services funding used to get individuals back to work quickly. RESEA is a separate funding source. Since WP funding is reduced, DWD will require all WP state merit staff in the WorkOne offices to spend at least 25% of their time performing RESEA functions. DWD has reserve funding to use to fund this change. Region 4's current allocation will not be reduced but the allocation will not last through the period of the RESEA contract. Region 4 is asking for an additional \$250,000.

Indiana Department of Workforce Development Commissioner Visit

DWD Commissioner Richard Paulk would like to visit all regions to see the opportunities in each. Commissioner Paulk is interested in visiting Job Fairs, JAG CDC, and seeing the benefit of workforce boards. We hope to coordinate the Commissioner's visit with the REV Advisory Group meeting.

Administration

Succession Update for Chief Executive Officer

Introductory phone interviews were held with three potential candidates. Deb and Roger had lunch with one candidate. An interview with the candidate and the Succession Committee was planned. We since discovered that the system put in place to receive resumes through the Region 4 Workforce Board website no longer was forwarding resumes. There were additional resumes. An additional candidate with experience in workforce development, strategic planning, grant and policy writing, and consulting in some of the workforce development regions in Indiana resume was received and reviewed. An introductory call took place. Member of the Executive Committee that serve on the Succession Committee decided to move forward with formal interviews with the two candidates with the Succession Committee on January 3, 2024.

Adjournment

The Finance/Executive Committee meeting adjourned at 9:20AM.