

**Region 4 Workforce Board
Finance - Executive Committees
Meeting Minutes
Wednesday, June 19, 2019**

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

Committee Member Participants: Alicia Hanawalt, Chair; Michael Smith, Vice Chair; Steve Snyder, Secretary; Deb Close, and Larry West

Excused: Arden Cramer, Treasurer

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

Combined Finance/Executive Committee

Alicia Hanawalt called the Combined Finance/Executive Committee meeting to order at 8:00 AM.

Fiscal

Revenue and Expense Report – 5/31/19

Tara Bradley presented the PY18 Revenue and Expense Report for the period ending May 31, 2019.

The report includes income by funding source and expenditures by line item. Based on the budget, we should be 92% expended for most of the funding sources for the year. Noteworthy observations include the following:

WIOA Funding (IDWD)

- *WIOA* expenditures for PY18 are 78% of the amount budgeted. This will provide more carry-in for PY19 in addition to the 20% currently set aside.

Non-WIOA Funding (IDWD)

- *Skill Up 3* is a two-year grant originally scheduled to end in February 2020. Of the funds budgeted for PY 18, *Skill Up 3* is 96% expended. There are additional funds available for PY 19. IDWD has approved a six-month extension through August 2020.
- *Jobs for Hoosiers* funds continue until December 31, 2019.
- *RESEA (Re-employment Services)* current funds should last until December 2019. Additional funds we expect to receive will carry us through September 2020.
- *TAA Case Management* are state funds used for local staff to provide TAA case management services in the WorkOne Centers. IDWD has been notified by USDOL that only state staff may provide TAA case management services. The grant agreement was rescinded as of March 31, 2019. Other funds have been made available by IDWD to make up for the loss of TAA funds for local staff case management services to non-TAA clients.

Direct Federal Grant Revenue (USDOL)

- *Ready to Work (RTW)* ends on October 31, 2019. *America's Promise Grant (APG)* ends December 31, 2020. In PY 17, RTW and APG expended a combined \$3.5 million compared to \$1.8 million in PY 18. RTW has exceeded all metrics without expending all the funds.

Overall, we are at \$5.5 million expended; \$2.7 million less than this time in PY 17.

The bottom half of the report shows line item expenditures. Expenditures as of 5/31/19 were at 76%. We are on target with no concerns. Tara reported specifically on the following expenditures:

- *Staffing and Management Costs-WorkOne JAG, RESEA, JFH, TAA* is 97% expended for staffing and management costs, but the budgeted line item does not reflect the additional funds received for RESEA.
- *Occupancy, including Liability Insurance* is 99% expended because insurance payments are due in

May. In June, it will show only occupancy.

PY 19 Projected Revenue-DRAFT

There are still some concerns with the PY 19 budget but not to the extent as first thought. Overall, Region 4 received a 14% decrease in WIOA funds; \$308,000 less than PY 18. Allocations are available for two years. 80% of the allocations are budgeted and 20% set aside for carry-in. The 20% carry-in is for the short period (July, August, and September) when the full allocation has not yet been received. The bulk of the funds are received October 1st based on the federal fiscal year. There were two issues of concern: 1) the decrease in allocations and the decrease in carry-in and 2) RTW grant ending. JobWorks' WIOA expenditure rate is trending \$300,000 less than budgeted for PY 18, making up for the decrease in PY 19 new allocations. The Executive team will work with JobWorks to plan more effectively in budgeting and expending the funds it receives.

- ***PY 19 Total Funding Available (before set-aside)***

The total PY 19 funding available is \$9.4 million. Some funds will need to be projected over two years. PY 19 WIOA will be budgeted for \$53,000 less than PY 18. Other Non-WIOA funding for PY 19 will be budgeted for \$774,000 less than PY 18 due to the smaller amount of Skill Up 3 funds available. We hope to have the opportunity to compete for additional WIOA Performance Support Grant funding during PY 19.

- ***PY 19 Total Available to Budget (after set-aside)***

Other Non-WIOA funding for PY 19 available to budget will be \$245,000 less than PY 18. There will be \$1.2 million less in USDOL funds available for PY 19. Under *TAP Revenue*, the WHIN grant is a new funding source for PY 19. TAP will act as the fiscal agent for a two-year grant of \$727,770, half of which is budgeted for PY 19. Most of the funds will be subcontracted to Greater Lafayette Commerce and Purdue University; a portion will be used for salary compensation for Tara Bradley, Deb Waymire and Blake Sempsrott. RTW ends October 31, 2019. There will be one additional TAP staff position eliminated due to the loss of RTW funding; several other service provider positions will also be eliminated as of October 31, 2019.

These are the revenue projections. We will be working on the line item expenditure budget next. The complete budget will be presented to the Finance and Executive Committees in August and to the full Board in September.

Jake Dunton, Dunton & Co., Retiring

Jake Dunton, our auditor, is retiring this year after completing the audit for PY 18. We will be issuing an RFP in mid-PY 19 for audit services. The Finance and Executive Committees will select a new auditor. We are limited in the number of audit firms to choose from that specialize in the auditing of organizations our size and in the type of audit required. We will ask Jake for information about similarly-situated CPA firms he knows about.

Operations

DOL Review Response

Deb Waymire reviewed IDWD responses to the findings identified in the monitoring report issued by the USDOL. There were six findings.

- The first two are a state level issue which in turn impacts us at a local level. IDWD has issued a new MOU policy and agreements must be finalized by October 1, 2019.
- Staff provide information about WorkOne services by directing customers to the bi-monthly WorkOne magazine. Per our regional policy, staff must also verbally go over the services listed in the magazine. From the DOL review it was not clear all staff provided the information verbally. Staff are scheduled for refresher training on this policy and process on Friday, June 21, 2019.
- Staff may not be clearly documenting the need for training services. Regional policy has been enhanced to ensure the information for the need for training is contained in the case file. Staff are scheduled for refresher training on this policy and process on Friday, June 21, 2019.
- Coordination of available training funds. Further information on training resources provided by our partners should be made available to WorkOne customers. The policy has been enhanced by adding the Partner Resource Guide Staff are scheduled for refresher training on this policy and the Partner Guide

on Friday, June 21, 2019. WorkOne staff also recently participated in a regional “Partner Fair” to learn of partner resources for assisting participants training costs.

- Staff may not be exploring all funding resources available prior to using WIOA funds to provide supportive services. The policy has been updated with language to reflect the consultation with other one-stop partners for resources and services coordination. The Partner Resource Guide has been added to the Supportive Services policy. Staff are scheduled for refresher training on this policy and process on Friday, June 21, 2019.

Funding ITEP Program

A modification has been submitted for \$130,000 from the Skill Up 3 grant to be used to support the continuation of the Integrated Training and Education Program (ITEP) program with Ivy Tech-Kokomo. It is a valuable program offering dual credit, work-based learning and internship opportunities, and resulting in certifications that will lead to greater employment or educational opportunities for students.

Tippy Connect Young Professionals Top 10 Under 40

Brooklyn Burton was nominated by TAP for the Tippy Connect Young Professionals Top 10 Under 40 for her volunteering in the community and the impact she has had with the APG grant. She was selected as one of the Top 10. Congratulation Brooklyn!

Local Career Coaching Grant Opportunity, Skillful Indiana Update, Office of Work-Based Learning Update

The Local Career Coaching grant is an opportunity for schools, employers, and community-based organizations to partner together to create a sustainable system for the delivery of:

- Local, state and national career information
- Information on educational attainment levels needed for those careers; and
- Opportunities for students and adults to participate in work-based learning

The goal is a sustained career coaching model to attain postsecondary attainment rates, industry-recognized credentials, technical certificates, associate and bachelor degrees, and to increase the number of high-wage, high-demand jobs. There are a lot of criteria that need to be met to be eligible for the grant. Questions can be asked until June 24, 2019. There are two types of grants to apply for: 1) Planning grant lasting for up to one year; 2) Implementation grant lasting up to three years. Proposals are due August 2, 2019. The Local Career Coaching grant application will be emailed to committee members.

Roger Feldhaus and Deb Waymire will be meeting with Bill Turner on Tuesday, June 25, 2019, about Skillful Indiana. Brooklyn Burton (TAP) and Stephanie Butram (DWD Lafayette) are involved in the Skillful Career Coaching Corps. The Coaching Corps Action teams are identifying best practices for serving specific population segments, cultivating new partnership models, or changing the narrative for alternative pathways.

Roger and Deb also met with Matt DeGolyer, Regional Director of Work-based Learning & Apprenticeship. The Office of Work-based Learning & Apprenticeship will:

- Assist in the process of matching employers to students to facilitate work-based learning opportunities.
- Offer support and resources to develop a curriculum that is connected to the expected skills and duties required of the specific job or job family in which a student will receive training.
- Support the development of all work-based learning programming by offering advice, resources and technical assistance in each stage of the program development.
- Confirm and approve *State Earn and Learn* models, while offering support specifically to the expansion of current work-based learning models.

Matt will be connecting with schools, CTE directors, and employers in our region and looking for opportunities to engage in partnerships for WBL opportunities. He will add value in the career pathway engagement with schools.

WorkOne REACH office space and NextLevel Jobs

When the Ready to Work grant ends, it impacts about six staff members (TAP and JobWorks) and the space at WorkOne REACH office. Deb and Tara Bradley met with members of Vocational Rehabilitation Services, including WDB member, Shannon Polmateer, about an opportunity to share space at WorkOne REACH.

Deb will meet with IDWD about Next Level Jobs funding and how it can be integrated in Region 4 through the Region 4 WDB.

Administration

New WDB Member-Mike Barnes

Mike Barnes, IDWD Chief Workforce Officer, has been named as the designated IDWD representative on the Region 4 WDB. Mike will be a positive and helpful support to us.

Tippecanoe County Wage Growth

There was an article in the *Lafayette Journal & Courier* and *Inside Indiana* about Tippecanoe County leading the nation in wage growth for the fourth quarter of 2018. The article will be emailed to the committee members. The WDB's overarching goal, as expressed in our Vision Statement, is to increase the wealth of Region 4, especially the wealth generated by earned income.

Importance of September 25th and October 3rd meeting

There is no need for a special summer meeting of the Board.

The WDB meeting on September 25, 2019, will be extended by a couple of hours to provide more time for reviewing and aligning the Board's Strategic Plan in the light of reductions in funding and the ending of the Ready to Work era.

The Regional Workforce Professionals Retreat will be held on Thursday, October 3, 2019, in Indianapolis. Keynote speakers are Ron Painter, CEO, National Association of Workforce Boards, Inc., and Scott Sanders, Executive Director, National Association of State Workforce Agencies and former IDWD Commissioner. Members from each regional board are encouraged to attend. We need to demonstrate to each other and the State that regional workforce boards are important and that we are interested, involved and connected in support of economic growth in Indiana. A lot of good information and networking opportunities will be available.

There will be two additional expenses added to the budget under *Board Discretionary*: 1) financial support of about \$1,900 for INWBA's design of a website and 2) a re-design of the Region 4 Workforce Board website for about \$3,500.

Adjournment

The Combined Finance-Executive Committee meeting adjourned at 9:30 AM.