

**Region 4 Workforce Board
Finance - Executive Committees
Meeting Minutes
Wednesday, August 26, 2020**

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

Committee Member Participants: Alicia Hanawalt, Chair; Michael Smith, Vice Chair; Arden Cramer, Treasurer; Steve Snyder, Secretary, and Larry West

Excused: Deb Close

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

Finance Committee

Arden Cramer called the Finance Committee meeting to order at 8:00 a.m.

PY19 Revenue and Expense Report – 6/30/2020

Tara Bradley presented the PY19 Revenue and Expense Report for period ending 6/30/2020. The report includes income by funding source and expenditures by line item. The top portion shows the funds available for expenditure in PY19. Noteworthy observations include the following:

WIOA Formula-Allocated Funding (IDWD)

- *WIOA* expenditures for PY19 ended at 74%. JobWorks, Inc. received a Payroll Protection Program (PPP) loan which reduced the expenditures allowing an additional 25% of PY19 funds to carry over to PY20.

WIOA Non-Formula-Allocated Funding (IDWD)

- These are State and Federal funds that are not regularly allocated to Region 4. Unexpended amounts will carry over into PY20, including those from the Skill Up 3, Jobs for Hoosiers, and JAG State grants. There are three new grants related to COVID-19 Disaster Recovery listed on the report:
 - *Special COVID Grant (UI-related services)*
 - *Special COVID Grant (Rapid Response-services to dislocated workers)*
 - *Disaster Recovery COVID (support the hiring of temporary workers by Food Finders Food Bank and Logansport Memorial Hospital in response to special needs resulting from the effects of COVID-19)*

Direct Federal Grant Revenue (USDOL)

- *America's Promise Grant (APG)* ends 12/31/2020. We have submitted a request for a no-cost extension. The length of the extension has not been determined.

TAP Revenue

- *WHIN Funding* – Region 4 received additional funds for the second year of a two-year Wabash Heartland Innovation Grant in partnership with Greater Lafayette Commerce, Purdue University, and others, aimed at providing manufacturing career awareness for hundreds of K-12 students throughout the 10-county WHIN region.

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

- *Supplies, including Equipment Costs* is at 142% due to expenses for equipment at Lewis Cass Polytechnic Academy and Greater Lafayette Career Academy that were not originally budgeted, but for which there are sufficient revenues to support.

- *Staffing and Management Costs-WorkOne WIOA* is 61% expended. This is due to the PPP funding received by JobWorks, Inc. which offset these costs.

PY 19 Unrestricted Fund Analysis – 6/30/2020

At the beginning of PY19 there was a balance of \$146,431.09 which incurred a net loss of \$9,912.08 during the year. The *General* column shows funds from Tara Bradley’s contracted work in support of TAP’s professional services contract with the Center of Workforce Innovations (CWI) and Chris Waymire’s contracted work in support of TAP’s WorkKeys Profiling contract with DWD. WorkKeys Profiling income was down due to the effects of the pandemic. The net loss is made up of staff costs and professional fees that cannot come from grant funds. Tara does not expect a loss in PY20 as WorkKeys Profiling ramps up. The Unrestricted Fund balance as of June 30, 2020, is \$136,519.01.

PY 20 Revenue and Expense Budget

Tara presented the proposed Program Year 2020 Budget (July 1, 2020 - June 30, 2021).

Allocated WIOA Funding (IDWD).

Region 4 received its new WIOA allocation that will have a two-year life beginning July 1, 2020. 20% of the allocation will be set aside for carry-over into PY21. 80% of the new allocation, plus the carry-in from PY19, will be budgeted for PY20. The PY19 funds carried into PY20 are greater than expected (50% rather than the 20% that was planned) due to the pandemic-related decrease in expenditures and the PPP funds received by JobWorks, Inc. There was a slight decrease in new WIOA allocations for PY20; however, with the greater-than-expected carry-in, we experienced a year-over-year increase of \$117,830 rather than a \$200,000 decrease we originally expected.

Total Allocated WIOA Funding Available to Budget - \$2,819,500 for PY20.

Non-Allocated WIOA/State Funding (IDWD)

- *Business Consultant* is \$120,000, but subject to change
- All other revenue sources in this funding category have either decreased or expired, with the exception of the following new grants:
 - *UI COVID/RR COVID* - \$120,000 for the special supplies for the WorkOne offices
 - *Disaster Recovery* - funds used for Food Finders and Logansport Memorial Hospital to hire temporary workers in response to COVID-19.
 - *Next Level Jobs Employer Training grant*
 - *Next Level Jobs Workforce Training grant*

Total Non-Allocated WIOA/State Funding Available to Budget - \$2,070,587 for PY20.

Direct Federal Grant Revenue (USDOL) - decrease of \$1.1 million in available funds due to the end of the *Ready to Work* grant on 10/31/2019.

Total Direct Federal Grant Funding Available to Budget - \$1,941,800 for PY20, subject to extension beyond 12/31/20.

Total TAP Revenue and Unrestricted Funding Available to Budget – \$507,035.

Total Funding Available to Budget - \$7,338,922 for PY20. This is a decrease of just over \$1 million compared to PY19. (The funding available to budget does not take into consideration the amounts to be set aside for PY21.)

After the 20% set aside of newly allocated PY20 WIOA and other funds for use in PY21, there is a \$66,016 increase in Allocated WIOA funding and a \$125,810 increase in Non-Allocated WIOA/State funding compared to PY19.

Total Funding Available to Budget after Set Aside is Removed - \$6,755,063 for PY 20. This is a \$536,732 increase over the amount budgeted for PY19.

PY 20 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. The proposed line item expenditures are similar to PY19.

- *Salaries – Fringe Benefits* for eight TAP staff. The change is mainly due to Brooklyn Burton’s leaving for an opportunity with Ivy Tech-Lafayette and Chris Waymire’s retiring. The Executive staff is proposing an increase to the taxable stipend for staff from \$400 per pay period to \$465 per pay period to cover the increasing costs of health insurance. No salary increase is being recommended for the TAP staff this year.
- There are decreases in *Travel & Staff Development* and *Professional Services*. There are costs set aside for one staff person to attend the NAWB Forum.
- *WorkOne Center Overhead Costs* – the lease for the Crawfordsville office will not be renewed.
- *Board Discretionary*—based on last year’s expenditures, the amount budgeted will decrease by \$1,050 because more meetings are being held virtually due to COVID-19. There are funds budgeted for two Board members to attend NAWB Forum, if held in-person.

A motion was made to recommend the proposed PY20 Budget for presentation to the Executive Committee and approval of the full Board.

Motion: Arden Cramer

Second: Michael Smith

Action: Unanimous approval

PY 19 Audit by Huth Thompson, LLP begins August 31, 2020

The new audit firm, Huth Thompson, will begin the audit process at the TAP office on Monday, August 31st. Documentation is being gathered for their review to begin the process. Representatives will be in the office again in September and November.

Adjournment

Finance Committee adjourned at 8:40 a.m.

Executive Committee

Alicia Hanawalt called the Executive Committee meeting to order at 8:40 a.m.

Operations

COVID-19 Related Grants

- **Disaster Recovery Grant** helps for humanitarian efforts to serve individuals that need assistance during the pandemic. Several organizations applied. Region 4 is assisting Food Finders and Logansport Memorial Hospital because they had the greatest need and serve the largest number of individuals. There is \$131, 000 to assist with the hiring of temporary workers for a 10-month period of time.
- **Employment Recovery Grant** – Region 4 has applied for this grant, but it is yet to be awarded. This grant is for \$400,000 to help individuals who are unemployed due to the coronavirus who need retrained and connected to employment. The goal is to assist 80 participants with training. The grant extends through June 2022.
- **Next Level Jobs Grants**
 - **Workforce Ready Grant** is for \$257,000 to assist 140 individuals to become enrolled in training. The grant timeline is July 2020 to December 2020. Staff is working hard to engage and enroll individuals. We are not seeing a large increase in activity at the WorkOne offices or requests for training.

- **Employer Training Grant** is a \$1.25 million grant to help employers with training. Some employers in Region 4 have applied and \$1 million has been obligated. This grant continues until December 2020. Region 4 Workforce Board received about 10%; \$125,000 to assist with support and recruitment. DWD will reimburse employers for the training provided.
- **Skill UP 3** grant is fully obligated. The grant ended August 30, 2020, and we are processing the final invoices.
- **WIOA Performance Support Grant** goes until March 31, 2021. About \$60,000 was spent for equipment at the Greater Lafayette Career Academy where training classes are held. The remaining portion of the grant funds will support training and internships with employers.
- **America's Promise Grant** had \$1.9 million left to spend. A new request for a 12 month no-cost extension has been submitted to USDOL and we are waiting for a response.

PY 19 WIOA Performance

Deb Waymire presented the PY 19 WIOA performance data for the period ending June 30, 2020. For adult, dislocated worker and youth measures, Region 4 met or exceeded all performance measures. For adults and dislocated worker, Region 4 served 1,399 individuals, which was 12% of the total number of participants served statewide, utilizing only 6% of all statewide allocations. For youth, we received 7% of the statewide allocation of youth funding and served 7% of the youth participant population statewide. One reason we can be efficient in serving adults and dislocated workers with the use of WIOA funds is our practice of co-enrollment with other non-WIOA federal and state grant funded programs.

Region 4 WorkOne System Highlights

All WorkOne offices are open and operating by appointment-only using an appointment scheduling software. Appointments have been mostly for individuals to use in accessing dedicated, direct UI phone help lines. If someone comes to the office without an appointment, staff will assist or schedule them for the next available appointment. The WorkOne offices will continue to operate by appointment during the state's Stage 4.5 recovery plan level. All staff and participants are required to wear facemasks. There are processes and procedures in place to keep everyone safe and serve as many customers as we can.

JAG (Jobs for America's Graduates) programs are moving forward. Participants are still being enrolled. Some school's classes are operating in person and other virtually.

Administration

DWD PY19 WIOA Monitoring Report

Roger Feldhaus shared the report from the DWD PY19 WIOA Monitoring conducted in February 2020. The on-site review was to monitor compliance with administration, equal opportunity and nondiscrimination, fiscal and programmatic requirements. Roger noted that there were no finding and one observation for which a response has been provided to DWD. TAP staff, WorkOne staff and partner staff have done a great job.

WDB Training Module

Steve Snyder has agreed to represent Region 4 by participating in and being interviewed for DWD's orientation video for new (and not so new) Regional Workforce Board members. Thank you, Steve, for your willingness to volunteer!

Board Member Renewals

The following WDB member's terms expire on June 30, 2020: Alicia Hanawalt, Richard Bradshaw, Dennis Carson and Mike Smith. Alicia accepted reappointment. Mike will serve until December 31, 2020. Elva James, Amy Wood and Shannon Polmateer terms expire on September 30, 2020. Roger will be reaching out to each member to see if they are interested in serving another two-year term.

Combining Annual and Executive Council Meetings

Some upcoming events such as the Annual Meeting and Executive Council Meeting are up in the air due to meeting and travel restrictions set up during the pandemic. The Executive Council is comprised of the chief elected officials from the 12 counties in Region 4 and needs to meet at least once every 4 years. Membership needs to be updated and a new agreement between the Board and the Council needs to be signed. Roger will reach out to Mayor Roswarski, Regional Chief Elected Official, to call together the Executive Council. A possible solution would be to host a combined breakfast/lunch meeting with limited invitees including the Board and Executive Council. Alicia recommended separate meetings; conducting the meetings virtually. It may be difficult to bring the Executive Council together virtually because the group of individuals do not meet together on a regular basis.

Retirement of Mary Sloan (DWD) and Deb Provo (JobWorks) after 40 Years of Service

Mary Sloan, a long-time DWD staff person working in the Crawfordsville office, retired on June 26, 2020. Deb Provo, with JobWorks, retired on July 17, 2020. More recently, Deb oversaw the youth programs at the WorkOne; but has also been a member of the Tippecanoe County Department of Career Development, Tecumseh Area Partnership, and Community Action Program, Inc. of Western Indiana. We had an opportunity to congratulate and recognize both of them on their 40 years of service.

Recommendations regarding WorkOne Office Leases

The WorkOne Center at Inventrek in Kokomo, the Lafayette WorkOne, and the WorkOne affiliate sites in Peru and Logansport are all stable and productive. Our lease for the affiliate site in Crawfordsville, co-located with Community Action Program, Inc. of Western Indiana, expires December 31, 2020. The Crawfordsville office will be open by appointment until that date, but there are no plans to extend the lease. We will continue to serve individuals in Montgomery County by appointment at various partner locations. There is also an affiliate site in Monticello which is co-located with Ivy Tech. This office has one staff person and has limited exposure and traffic flow. The status of Lafayette REACH office depends on employer use for testing. We may keep the location until end of 2020 or until the end of APG, if we receive a no-cost extension. The REACH lease costs are budgeted through June 30, 2021.

Adjournment

The Executive Committee meeting adjourned at 9:17 a.m.