

**Region 4 Workforce Board
Finance - Executive Committees
Meeting Minutes
Wednesday, January 13, 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; and Larry West, Member.

Excused: Steve Snyder, Secretary; and Deb Close, Member

Guests: Kimberly Morisette, Huth Thompson LLP

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

Finance Committee

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

PY19 Audit Report Presentation

Kimberly Morisette, Huth Thompson LLP, presented the draft summary report, management letter, and financial report for the year ending 6/30/2020. This year the major program was WIOA. Overall, the audit was a clean opinion in reference to the financial statements, internal controls, and federal awards. There were no difficulties performing the audit or disagreements with management, no adjusting entries, and no passed adjustments. Significant audit areas included compliance and revenue recognition. Other matters of significance:

- There were no changes to the organization's control system due to COVID-19.
- In fiscal year ending 6/30/2022 there will be a new lease standard in place. All leases will be shown as an asset and liability on balance sheets.
- A management letter was issued with business advice for the organization about conflict of interest statements, bank reconciliation review and cash receipt log access.

There were no findings, deficiencies or weaknesses to disclose. The audit will be submitted to the Federal Audit Clearinghouse. TAP continues to be classified as a low-risk auditee.

PY20 Revenue and Expense Report – 11/30/2020

Tara Bradley presented the PY20 Revenue and Expense Report for period ending 11/30/2020. The report includes income by funding source and expenditures by line item. The top portion shows the funds available for expenditure in PY20. As a reminder, we are under-expended in some areas due to JobWorks, Inc.'s use of a Payroll Protection Program (PPP) loan thereby reducing operational expenditures that would have otherwise been charged to sub-granted funds from TAP. In December, JobWorks began utilizing fewer PPP funds and charging more to its TAP sub-grants. As we move forward, expenditures will balance out. Noteworthy observations include the following:

WIOA Formula-Allocated Funding (IDWD)

- *WIOA* expenditures for PY20 should be at 42%, but are actually at 27%. Adult and Dislocated Worker expenditures are low due to the JobWorks PPP loan. If PPP funds had not been available, there would have been significant reductions in staffing and facilities.

Other Non-WIOA Funding (IDWD)

- These are State and Federal funds that are not formula-allocated to Region 4.
 - *Grant Writing Funds* were used to cover staff costs related to grant application activities, e.g., the H-IB Rural Healthcare grant.
 - *Jobs for Hoosiers* is over budget, but within the parameters allowed. This grant has ended.
 - *Jobs for America's Graduates* is unexpended due to the PPP loan and reduction in activities at the schools because of the pandemic. Grant funds were to end in December 2020 but have been extended to March 2021.
 - *Next Level Jobs Employer Training Grant* and *Next Level Jobs Workforce Training Grant* are short-term grant funds provided by the Coronavirus Aid, Recovery and Economic Security (CARES) Act that expired December 31, 2020. The funds were not fully expended.
 - *Special COVID Grant (UI-related services)*, *Special COVID Grant (Rapid Response services to dislocated workers)*, and *Disaster Recovery COVID* are funds to provide WorkOne offices with PPE, outreach and assistance for dislocated workers, and short-term employment for workers in disaster relief occupations.

Direct Federal Grant Revenue (USDOL)

- *America's Promise Grant (APG)* received a one year extension through 12/31/2021. We anticipate an increase in expenditures as the economy continues to recover.

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 guidelines for expenditures.

- *Professional Services, including IT costs* is over-expended at 51% due to one-time expenses at the WorkOne Centers. The expenditures will even out going forward.
- *Direct Participant Costs* and *Staffing and Management Costs* are under-expended due to low activity at WorkOne offices and JobWorks utilization of PPP funds.

Adjournment

Finance Committee adjourned at 8:45 a.m.

Executive Committee

During the November WDB Meeting, Randy Vernon was elected as the new Board Chair and Karen Mellen was elected as the new Vice Chair. As the new Chair, Randy Vernon called the Executive Committee meeting to order at 8:45 a.m.

Operations

Update on WorkOne Offices

Services at the WorkOne Centers have been provided by alternating staff teams to ensure that all staff are not in the office at the same time, thereby limiting potential COVID exposure. Starting January 4th, because of the increase in COVID cases, we have increased the number of teams, which has further reduced the time working in the office to one week per month. WorkOne staff will work remotely three weeks per month providing services virtually. In-office customer visits are limited to unemployment insurance services only. Access to visit the office is scheduled through an appointment system. We will continue scheduling by appointment and evaluate all activity at the end of each month. WorkOne offices throughout the state are using processes similar to Region 4 to provide services to customers. There have been significant improvements in the utilization of technology through our collaboration with DWD.

We are transitioning our Lafayette REACH Center services and activities from a separate building to the main Lafayette WorkOne Center office. The transition will be complete by March 31, 2021. WorkKeys activity has dropped due to COVID disruptions.

WorkOne Center Certification Team

Every three years we conduct a review of our One-Stop Centers and Sites in accordance with DWD policy and WIOA rules and regulations. We are seeking Board members to volunteer to participate in the review process which includes interviews with staff. The review will be conducted for the two WorkOne Centers in Lafayette and Kokomo and three Affiliate Sites in Logansport, Monticello and Peru. We will conduct the review virtually the week of February 15-19, 2021. The review report and our request for the recertification of our Centers and Sites are due March 31, 2021.

Service Provision RFP

It is time to prepare the WIOA One-Stop Operator and Service Provision Request for Proposal. The draft schedule of RFP activities and key dates was shared with the committee. The RFP will be sent to organizations who would like to provide adult, dislocated worker, youth, and one-stop operator services. The tentative RFP issue date is March 26, 2021. The goal is to present the recommended Service Provider for the Board's approval at its May 26th meeting and to begin negotiations by June 1st for a contract to be in place by July 1, 2021. Board volunteers will be needed to review the proposals.

DWD Monitoring

During the week of March 8-12, a DWD monitoring team will be conducting an operational and fiscal review of TAP/Region 4 WDB activities as part of DWD's annual monitoring of each workforce service area.

Administration

U.S. Department of Education Career Pathways Funding Opportunity (New)

The USDoEd Career Pathways Funding Opportunity was a grant opportunity to partner with several Departments at Purdue University and La Plaza, a Central Indiana organization advocating for Latino student success. Purdue reached out to the Region 4 Workforce Board because the grant opportunity required the lead applicant be an organization outside the university, and preferably a WDB organization. The grant would fund the development of a technology-based career exploration/pathways system. \$10 million was available to fund two projects. Our project requested \$4.2 million for a three-year period. The grant application was submitted on December 9, 2020. We received notice of non-acceptance on January 11, 2021. There were 30 applicants from among whom two were selected for funding.

Purdue is also working with the Ford Motor Company to help in revolutionizing Ford's manufacturing processes. Ford is looking at a new way to approach their industry. One concern is hiring individuals that fit the needs of a higher technology company. Ford is looking at various assessment tools. Our College of Education partner, Dr. Jim Greenan, is suggesting that Ford consider the WorkKeys system. TAP may be invited to participate in a work group to review the portfolio of ACT assessment tools with Ford representatives. Region 4 is a strong believer in the WorkKeys job profiling and foundational academic skills assessment system because it focuses on demonstrable skills and not credentials or education alone.

USDOL Rural Healthcare Grant (Update)

Region 4 in collaboration with eight other Indiana regions submitted an application for the USDOL H-1B Rural Healthcare Grant. Our application focuses on the need for CNAs (certified nursing assistants) and QMAs (qualified medication aides) in our rural communities as a first step along a career pathway leading to higher level clinical healthcare occupations. This is \$2.5 million, four-year grant opportunity. Region 4 is the lead applicant and, if successful, would be the grant administrator and fiscal agent. The grant was submitted in November 2020, but there has been no notice of the award of grant funds to date. The consortium of workforce board organizations is indebted to DWD for its support and especially for the funding it provided for the services of a grant writer who did an excellent job in bringing all the partners together.

WIOA Local Plan (Update)

The draft Local Plan was presented to the Board for comment during the WDB meeting in November 2020. The draft plan has been posted on the Region 4 Workforce website for comment since mid-December 2020. Its posting was brought to the attention of our key economic development (LEDO) and local elected official (LEO) stakeholders. Staff will review and respond to any questions or comments received. The Local Plan is due to DWD by January 29, 2021.

Adjournment

The Executive Committee meeting adjourned at 9:12 a.m.