

Region 4 Workforce Board Meeting Minutes of September 19, 2018 Location: Wabash Erie & Canal Conference Center Delphi, IN	NEXT MEETING Wednesday, November 14, 2018 Location: Bel Air Event Center Kokomo, IN
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Directors Present:

Larry West, chair
Arden Cramer, treasurer
Alicia Hanawalt, secretary
Richard Bradshaw
Yvonne Smith

Nick Goodwin
Randy Vernon
Shannon Polmateer (by phone)
Elva James

Excused:

Michelle Simmons
Steve Snyder
Mike Smith
Dennis Carson
Deb Close, vice chair

Staff and Guests Present: *Roger Feldhaus, CEO; Tara Bradley, CFO; Deb Waymire, COO; Tina Overley-Hilt, Executive Assistant/Financial Assistant; Mellisa Leaming, Director of Operations; and Cassie Janes, DWD, Regional Labor Market Analyst.*

Call to Order and Welcome

Attendees were welcomed and the meeting was called to order by Chair, Larry West, at 8:35am. Roger Feldhaus introduced two new members to the WDB: Elva James, Executive Director, Area IV Agency on Aging & Community Action Programs; and Yvonne Smith, Executive Director, Lafayette Adult Resource Academy.

Consent Agenda

A motion was made to accept the consent agenda items as presented.

Motion: Alicia Hanawalt
Second: Richard Bradshaw
Action: Unanimous approval

New Business

Finance

Presentation of Draft Audit Report

Jake Dunton presented the Draft Audit Report for the year ending June 30, 2018. In addition to the Draft Audit Report and Governance Letter, Jake handed out a potential footnote to be added under the financial statement presentation section of the Audit Report dealing with Financial Accounting Standards. The audit is two months ahead of schedule compared to last year. Mr. Dunton noticed a couple of invoices that could have been reported for PY 17, but were received too late. There was no net effect on the financial statement. The amounts were below the materiality threshold, so no adjustment is needed.

The Governance Letter, a communication to the Board, was presented. Professional standards require that information be given to the Board which establishes that the audit conforms to Generally Accepted Accounting Principles, government auditing standards, Uniform Guidance, and the scope and timing of the audit.

He reviewed the Schedule of Findings and Questioned Costs and all supporting statements and reports. This year the major program for the audit was the DOL H-1B Job Training Grants cluster. During the fiscal year ending June 2018, there were the following changes in the audit report:

- Change in the process for the cost allocation for the overhead of the WorkOne Centers and Sites by an infrastructure funding agreement. The new agreement established a method of direct costing of the overhead costs based on the benefit received by each entity located in, or participating in, services related to the WorkOne locations.
- Operating Leases section was rewritten due to the new leases for the Kokomo WorkOne and Lafayette REACH offices.
- Change from two service providers (CAPWI and JobWorks) to one service provider, JobWorks, Inc.

Tecumseh Area Partnership, Inc., dba, Region 4 Workforce Board, qualifies as a low-risk auditee. There were no findings, deficiencies or weaknesses to disclose. The audit will be submitted to the Audit Clearinghouse in a timely manner.

Preliminary DWD Monitoring Report

- *Fiscal Monitoring.* There were no issues or concerns found during the fiscal monitoring of activities conducted over the past six months.
- *Administrative Monitoring.* One area of concern is that WDB by-laws or policies do not address what action is required if a WDB member violates the conflict of interest policy.
- *Operations Monitoring.* DWD conducted a very thorough monitoring. All WorkOne offices were visited and Region 4 Workforce Board and WorkOne West Central websites and files were reviewed. Some observations were noted and corrections have already been made. Some noteworthy and best practices cited included the WorkOne magazine's listing of services and partners; performance metrics are shared with WorkOne staff and customers; new technology, such as Engage by Cell, and our partner referral/appointment system; and our newly implemented Out-of-School Youth program, #I Work, which connects older youth with employability skill workshops and internship opportunities.

Operations

PY 17 Performance

Deb Waymire presented the PY 17 WIOA performance data for the period ending June 30, 2018. Region 4 met/exceeded all performance measures. We continue to grow in our understanding of the performance measurement system and how data should be entered into the tracking system for maximal reliability and validity. Region 4 is on target to meet the new, slightly higher, PY 18 performance measurements, as well. The reports also shows the number of participants served. Participants in our special grants who meet the WIOA criteria are co-enrolled. Individuals who come into WorkOne offices for re-employment services are also co-enrolled, increasing the number of WIOA Dislocated Workers served. This is an indication of effectiveness, efficiency, good record keeping, and reporting. Region 4 wants to co-enroll all individuals, who would then have access to WIOA-funded services, to the greatest extent possible. Statewide information for PY 17 WIOA performance was not available.

Discussion included:

- Type of services received in order to be counted as a WIOA participant: individual career service; one-on-one counseling; skills assessment; training assistance; or internship. Individuals who come to WorkOne offices for a self-help informational service, such as access to a computer or to pick up a WorkOne magazine, are not counted as participants.
- Reduced number of job seekers being served due to low unemployment and fewer available WIOA resources.
- Concern with employers' retention of qualified employees. We'd like to have resources that provide for "career navigator" services to new employees throughout their first year of employment.

WIOA Support Grant

DWD is making available \$1.1 million of WIOA Governor's Discretionary funds for competitive granting to regional WDBs. Grant proposals should:

- transform operations to best serve jobseekers and employers in the new economy
- align with Governor Holcomb's initiatives
- increase work-based learning opportunities
- support JAG programs
- support employers

Region 4 is working on a proposal and determining the amount of funding needed to support its concept and outcomes. Deadline to submit a proposal is September 28, 2018

Catapult Project

Catapult is a concept based on Region 4's Ready to Work and America's Promise Grant (the RAMP model) experience that would be replicated and scaled up in five areas across the state and include the development of curricula that would support industry sectors in addition to manufacturing. The concept would include attraction, recruitment, and the skilling-up of individuals with behavioral and technical skills needed by employers. DWD,

TAP, major employers, Purdue, Ivy Tech, Vincennes U., Indiana Conexus, and Ascend Indiana are involved in the development of a project proposal.

Board Administration

Projected PY 18 Budget Discussion

The total projected funding available from all sources (including formula-allocated WIOA, DWD Non-WIOA, USDOL Special Grants, and TAP-generated revenue) is \$11.7 million. Of that amount it would be prudent to budget \$7.5 million for investment during PY 18. The unbudgeted portion would be carried over into PY 19 in order to sustain WIOA Adult/Dislocated programs during Q1 and continue RTW and APG activities through their respective end dates.

Newly allocated and carried-in funding is less than in previous years: \$790,000 fewer WIOA funds; \$536,000 fewer Non-WIOA funds; and \$1.7 million fewer USDOL funds. Total funding available to budget is \$3 million less than PY17.

The PY18 proposed budgeted line item expenses are commensurately decreased. A relatively small percentage of the funds are expended at the TAP level. The WDB Discretionary fund is decreased mainly due to fewer or no Board members attending the 2019 NAWB Summit. WorkOne Center Overhead Costs will be managed through our Infrastructure Funding Agreement with WorkOne Partners. Direct Participant Costs are budgeted for supportive services, work-based training, job readiness services, and occupational skills training. Sixty-percent (60%) of budgeted funding is for direct participant costs. (This high percentage will be difficult to maintain without new or renewed sources of funding that replace USDOL special grant funding.) The WorkOne staffing and management costs are subcontracted through our WIOA Service Provider/One-Stop Operator, JobWorks, Inc. We are projecting a line item expenses of \$7.3 million. Uncommitted funding of \$219,000 consists of RTW and APG administrative funds that can be repurposed to support RTW and APG training activities, as needed.

A motion was made to approve the PY18 Budget as proposed.

Motion: Arden Cramer

Second: Randy Vernon

Action: Unanimous approval

Arden thanked Tara and the Executive Staff for their hard work in managing the decline in revenue.

Strategic Plan Revisions

The current Region 4 Workforce Board Strategic Plan was developed a year ago. Six board members and six staff members met on July 13th to review the status of the plan and make modifications if needed. Draft minutes from the review session were provided to the Board. Goals, objectives and strategies from the old plan were visited and modifications and changes were made. The adjusted goals, objectives and strategies were presented to the Board.

A motion was made to approve the modification/revisions made on July 13, 2018 to the Strategic Plan.

Motion: Alicia Hanawalt

Second: Richard Bradshaw

Action: Unanimous approval

Local Plan Modifications

The Region 4 WIOA Local Plan is a four-year plan originally submitted on October 26, 2016. The plan must be renewed, modified and amended after Year Two. The changes made to the Region 4 Workforce Board Strategic Plan were incorporated into the amended Region 4 WIOA Local Plan, and technical corrections and updating of information were made. There were no significant changes made to the proposed, amended WIOA Local Plan. The amended Plan, with obsolete passages stricken-over and new passages printed in red font, is posted on the WDB's website for public comment and electronically forwarded to key stakeholders for their review.

A motion was made to approve the revisions to **Region 4's MODIFIED DRAFT Local Plan** for Workforce Innovation and Opportunity Act (WIOA) services for the period July 1, 2016 - June 30, 2020.

Motion: Arden Cramer
Second: Randy Vernon
Action: Unanimous approval

Board Membership

Region 4 Workforce Board has two new members: Yvonne Smith, Executive Director, Lafayette Adult Resource Academy, and Elva James, Executive Director, Area IV Agency on Aging & Community Action Programs. There are four employer representative members Roger is in contact with: Doug Mansfield, President, Kirby Risk Manufacturing; Tyler Moore, Moore Title & Escrow; Jim Woolf, FCA; and Mike Federspill, MPI. The Board also needs to fill a vacancy for an industrial union representative with responsibility for apprenticeship programs.

Election of Board Officers for 10/1/18-9/30/18

The Executive Committee served as an ad hoc Nominating Committee to propose a slate of officer candidates. Region 4 Workforce Board officers are elected for a one-year term. The Committee's slate includes Alicia Hanawalt, Chair; Mike Smith, Vice Chair; Steve Snyder, Secretary; and Arden Cramer, Treasurer.

A motion was made to close nominations.

Motion: Richard Bradshaw
Second: Randy Vernon
Action: Unanimous

A unanimous vote occurred to approve the slate of officers.

Work-based Learning Event

Darrel Zeck, the new Executive Director of the office of Work-based Learning and Apprenticeships, and Carrie Lively, Senior Director, will be touring each region in the state. Region 4 is scheduled to host the tour on October 16, 2018. Local businesses and key stakeholders will be invited to attend one of two sessions. The morning session will be held at Ivy Tech in Lafayette at 9:30; the afternoon session will be held in Kokomo at Inventrek at 2:30. Employers and WDB members will be invited.

Region 4 Workforce Board Annual Dinner

The Region 4 Workforce Board Annual Dinner is scheduled for Wednesday, November 14, 2018. The event will be held at the Bel Air Events in Kokomo. The Board meeting will be held in a partitioned part of the room at 4:00 p.m. prior to the dinner. The speaker for the event is Commissioner Fred Payne. We are planning for 150 guests. Area state legislators and candidates, local elected officials, economic development representatives, education & training institution representatives, and employer partners will be included on the guest list.

Conflict of Interest Statements

Conflict of Interest statements were provided to members in attendance to fill out, sign and submit to Tina Overley-Hilt. Conflict of Interest statements for those not in attendance will be e-mailed.

Old Business

Legislators' Luncheon

Region 4 Workforce Board still plans to hold a Legislators Luncheon for opportunities to interact with legislators to discuss workforce development issues. It will be scheduled after the general election. Nick Goodwin offered to assist in connecting with the legislators. A lunch was held for Senator Ryan Mishler (Bremen). One is scheduled in Evansville area. Nick was working with Representative Tim Brown (Crawfordsville) prior to Rep. Brown's serious motorcycle accident. There are other representatives in Region 4 that can be engaged.

A motion was made to adjourn the meeting.

Motion to adjourn: Richard Bradshaw
Second: Alicia Hanawalt
Action: Unanimous approval

Adjournment

The meeting was adjourned at 10:50 AM.

Respectfully submitted,

Tina Overley-Hilt

Executive Assistant

Alicia Hanawalt, Secretary

Tecumseh Area Partnership, Inc.

d/b/a Region 4 Workforce Board