

**Region 4 Workforce Board
Executive and Finance Committees
Combined Meeting Minutes
Wednesday, June 20, 2018**

Meeting Time: 8:00 a.m.

Method: Go To Meeting Conference Call. Roger Feldhaus and Larry West joined the call from Dukes Memorial Hospital in the company of Deb Close.

Committee Member Participants: Larry West, Chair; Arden Cramer, Treasurer; Deb Close, Vice-Chair and Alicia Hanawalt, Secretary.

WDB Staff: Roger Feldhaus, Executive Director; Tara Bradley, CFO; Mellisa Leaming, Director of Operations; Tina Overley-Hilt, Executive Assistant; and Blake Sempsrott, Financial Coordinator.

Combined Executive/Finance Committee

Welcome & Introduction

Larry West welcomed Executive and Finance Committee members and WDB staff.

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

Revenue and Expense Report – 5/31/18

Tara Bradley presented the Revenue and Expense Report for the period ending May 31, 2018. The goal for expenditures is 92% at this point in the program year. The report includes income by funding source and expenditure by line item.

WIOA Funding

- WIOA is on target at 88% expended. Adult is on the high side at 96% expended. This may reduce the carry-in for Adult for PY18; however funds can be moved from Dislocated Worker to Adult, as needed. Expenditures at June 30, 2018, will be reviewed to see where we stand at the end of PY17. Overall carry-in for PY18 will be as projected, but less than previous years.

Non-WIOA Funding

- *SkillUP! 3* grant is a \$1 million grant for a two-year period. The amount budgeted for expenditure in PY17 is only \$12,500.
- *Jobs for Hoosiers* – no official date has been announced to start expending funds. Funds have been extended until December 2018 and will be carried into PY18.
- *TAA (Case Management Staffing)* is underspent due to overestimates of the number of participants we serve who are eligible for the Trade Adjustment Assistance benefit. These funds may carry in, or a new amount will be allocated.
- *WorkIN funds* were carried-in from PY16. There will be no change in the expenditures going forward. By mutual agreement the Adult Education provider received WorkIN funds for PY17.

Other Federal Grant Revenue

- *Ready to Work (RTW) (H1-B) Grant.* The RTW grant was projected to end October 31, 2018. These are the funds for those individuals who are the hardest to serve dislocated workers and long-term unemployed individuals. We budgeted to use funds by projected end date. We received approval from USDOL for a no-cost extension to invest the remaining RTW grant funds through October 31, 2019. Based on the projections and current expenditure rate, we are on target to utilize all funds by October 2019.
- *America's Promise (APG) (H1-B) Grant.* APG is progressing very well and has expended more than the amount projected for PY17. Focus may be shifted to Skill UP 3 and RTW to slow the expenditure of APG funds.

Other Non-grant Revenue

- *WorkKeys Profiling*, a fee-for-service contract. There has been an increase in the number of profiles

being completed. There is a distinct possibility that Region 4 may receive another year of funding beginning July 1, 2018 for WorkKeys profiling.

The bottom half of the report shows the line item expenditures. Tara reported on the following categories:

- *Professional Services* – is underexpended at 49%. This is related to WorkKeys profiling professional services contracts. We are increasing the number of profiles currently being conducted.
- *Direct Participant Cost - WIOA Adult, Dislocated Worker, and Youth* – 97% expended
- *Staffing and Management Costs – WorkOne WIOA* – 76% expended.

Both *Direct Participant Cost - WIOA Adult, Dislocated Worker, and Youth*, and *Staffing and Management Costs – WorkOne WIOA*, are funds expended for customers by our service provider. These should balance out and end right on target. JobWorks has done a great job utilizing funds for WIOA participants.

- *Direct Participant Cost-WIOA Incumbent Worker Set Aside* – is showing 0% but by June 30th, we anticipate \$40,000 in expenditures shown.
- *Direct Participant Cost – Ready to Work, Skill UP, APG* – unspent amounts will be carried over to PY18.

Overall, it has been a good year with effective utilization of funds.

Infrastructure Funding Agreement (IFA) Process and Negotiations

This is the second year for the IFA process and negotiations. We worked with our partners, DWD, Vocational Rehabilitation, Adult Education, and others to determine their fair share costs of sharing the WorkOne Centers. Negotiations with DWD went very well with no major issues or concerns. As PY17 closes out on June 30, 2018, we will see how well we estimated for PY17.

PY18 Budget and Effects – PY18 WIOA Allocations

The final WIOA Adult, Youth, and Dislocated Worker allocations from USDOL for PY18 included an 11% decrease. Region 4 projected revenue is \$2.6 million in PY18, \$882,000 less than PY17. An official budget will be ready for approval in August 2018. Once the PY19 first quarter set-aside is removed (20%), there will be a \$827,000 less to invest in PY18.

The decrease has resulted in Board staff and Service Provider staff reductions funded largely by WIOA. Beginning July 1st, TAP staff will be reduced by 1.5 FTEs, and JobWorks staff will be reduced by 9. TAP staff effected were Linda Warner, Adult Education Liaison, and Jake Adams, Business Services Director. The decision was not based on seniority or performance, but by funding availability.

Non-WIOA funding was decreased by \$814,000, mainly due to less JAG State funding. To maintain all JAG sites, we may supplement JAG funds with WIOA Youth funds. We don't see any change in the current JAG sites, but changes in line item expenditures within JAG. Region 4 received additional RESEA allocations recently. We need clarification on the funding dates for RESEA. We no longer have WorkIN funds, which also contributed to the decrease. RTW funds were budgeted as if the grant ended in October 2018. Funds have been budgeted differently since we received the extension. The total amount of special grant funds are aging out. Unless we get additional funds for next year, more hard decisions will have to be made.

Roger Feldhaus added that USDOL directly funded grants will age out beginning in Q2 of PY19. Rather than think about the impact, we need to look for opportunities for new funding sources. There are not as many competitive USDOL grant opportunities. A new area to explore is foundation funding. The workforce development system also must pursue the State legislature to appropriate funding that meets the Governor's and General Assembly's workforce development goals. We must also work more with our employer partners to encourage them to contribute more to sustain what has been put in place at their behest.

The PY18 proposed line item expenditures are estimates with a lot of decreases. Intentionally, non-direct participant costs (staffing & overhead) have taken the biggest hits, to ensure that direct participant investments are prioritized to the maximum extent possible. DWD has asked us to look at collocating with Ivy Tech if it is beneficial and reduces costs. We are looking at opportunities to collocate in Peru, Monticello and Crawfordsville. In the Board Discretionary budget, funds were removed for the cost of NAWB conference attendance. This budget item reduction can be revisited later in PY18.

The Finance Committee meeting was adjourned at 8:45 a.m.

Larry West called the Executive Committee meeting to order.

Operations

Skill Up 3 Grant Update

Skill UP 3 is a \$1 million, 2-year grant focusing on vestibule training, work ethic certifications and exposure to manufacturing-related careers through youth camps. Grant activities are progressing well. One goal of Skill UP 3 is to increase the number of schools participating in the Governor Holcomb's Work Ethic Certification program, increasing the number of students receiving work ethic certification by 400. Seven schools in Region 4 are ramping up to implement the work ethic certification by 2018-2019 school year. Funds are available to assist with marketing to employers and business, and training for teachers. Skill UP 3 also partially funded the Robotics in Manufacturing day camp and Coder DoJo. There are also two employers currently taking advantage of the funding available for the vestibule training through Skill UP 3.

WIOA Performance Update

Mellisa Leaming shared the PY17 WIOA Performance Measures for the period 1/1-3/31/18. Region 4 is meeting all goals for Adult, Dislocated Worker and Youth measures. The final PY17 performance measures through June 30, 2018, will be reported in August/September.

Administration

Personnel Taskforce Actions

The Personnel Taskforce met to address the TAP Personnel Policy's Classification and Compensation Schedule. The Taskforce considered the amount of accrued paid-time-off for which a TAP employee who leaves TAP in good standing will be compensated. The Personnel Taskforce recommends for the Executive Committee's approval:

- That the updated TAP Personnel Policy, Appendix A, TAP Position, Classification and Compensation Schedule, be approved as presented.
- That the accrued paid-time-off policy be modified to allow a pay-out up to 30 days (225 hours) for those who leave TAP in good standing.

A motion was made to approve the Personnel Taskforce's recommendation

Motion: Arden Cramer

Second: Deb Close

Action: Unanimous approval

WDB Strategic Plan Review on July 13, 2018

The WDB Strategic Plan Review session is scheduled on Friday, July 13, 2018, from 9:00 am to 3:00 pm at the WorkOne REACH at 823 Park East Blvd in Lafayette. All Board members are invited to attend. A reminder will be sent out. It will be useful to share with others that budget and allocation issues may affect the Strategic Plan that was approved a year ago.

WDB Membership

The following Board members' terms end in September 2018: Richard Bradshaw, Alicia Hanawalt, Michael

Smith, Myra (Muff) Rennick, and Dennis Carson. Muff Rennick and Andrew Ball do not plan to continue to serve. Shannon Polmateer, Supervisor, Vocational Rehabilitation Services, Lafayette, will be replacing Sheri Burnett on the Region 4 Workforce Board. Roger is reaching out to employers, Chamber, and Economic Development professionals for possible candidates for Board membership. The goal is to have new members on board by October 1, 2018. Larry West recommended grooming someone to serve as Chair. Alicia Hanawalt will consider the Chair position.

Information Luncheon for Legislators

Region 4 Workforce Board will plan to host informal luncheons with legislators to discuss workforce development issues. There is a potential to meet with 17 legislators. Roger and Tina will work to schedule lunches beginning in August and ask that Executive Committee members also attend the lunches.

Zuckerberg/Rockefeller Foundation Grant

Communities Thrive Challenge is a funding opportunity that will support organizations that are working to expand economic opportunity for communities in the United States. The foundation plans to award 10, \$1 million grants to fund an initiative that is scalable and transferable to other areas that will help people who are out of the mainstream. We propose to use the RAMP model and show the model can be enhanced with funds received from the foundation. We want to develop a transportation solution getting people from isolated rural areas in the region to jobs. We also want to implement an existing Sustainable Workforce Model to improve new employees' career persistence and engagement. There is a multi-stage grant application process with the round one deadline of June 19, 2018. The applications will be peer-reviewed and will result in 80 applications moving forward to round two of the process. The top 20 applicants will be visited, from which there will be 10 recipients.

Markle Foundation Skillful State Network

Markle Foundation is interested in up-skilling people in today's workforce. Twenty governors are joining together with Colorado Governor Hickenlooper to form the Skillful State Network. The Skillful State Playbook lays out the steps needed to create a skills-based labor market. Roger would like to review the seven steps during the Strategic Plan Review session. He hopes Indiana becomes a Skillful State, connecting Region 4 with a larger network of workforce development organizations. Region 4 is in a position to be one of the regions within the state which may provide opportunities for investment.

Aspen Institute Job Quality Fellowship

The Aspen Institute Economic Opportunities Program introduced a Job Quality Fellowship to bring together innovators from various lines of work to expand the availability of better quality jobs. Former TAP staff member, Liddy Romeo, was selected as a Job Quality Fellow. Aspen Institute is taking nominations for the second group of Quality Fellows. Roger submitted a nomination for Brooklyn Burton, Senior Project Manager. If selected, Brooklyn would put Region 4 in another network with other practitioners throughout the nation.

The Executive Committee was adjourned at 9:30 a.m.