

**Region 4 Workforce Board
Executive and Finance Committees
Combined Meeting Minutes
Friday, August 24, 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 Committees

Welcome & Introduction

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

Finance Committee

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

Revenue and Expense Report – 6/30/18

Tara Bradley presented the Final PY 17 Revenue and Expense Report for the period ending June 30, 2018. Actual percentages for PY 17 ended up very close to the projected budgeted amounts. Noteworthy observations include the following:

WIOA Funding (IDWD)

- WIOA expenditures for PY 17 were 97% of the amount budgeted. Adult expenditure is over slightly at 106%, requiring us to tap into the amount set aside to carry in for PY 18. Dislocated Worker underspent at 97%.

Non-WIOA Funding (IDWD)

Any funds not fully expended at 100% will carry over to PY 18 with the exception of WorkIN (*Adult Education*).

- TAA Case Management at 32% will be carried over for expenditure until August 31, 2018. At a meeting attended by Mellisa Leaming, the funds will be reallocated depending on the funding available at DWD.

Regarding DWD funding, Region 4 invested a little over \$5 million, a 95% expenditure rate, down \$1.4 million from PY 16. This was mainly due to the ending and full expenditure of Skill Up 1 grant funds during PY 17.

Direct Federal Grant Revenue (USDOL)

- *Ready to Work (RTW)* - \$3.4 million dollars was budgeted since the grant was due to end on October 31, 2018. RTW was underexpended at 52%; remaining dollars will be expended during the one-year extension Region 4 received.
- *America's Promise Grant (APG)* is going very well. America's Promise Grant expenditures are about \$700,000 more than budgeted. Expenditures are leveling out among the RTW, APG and the (new) Skill Up 3 grants.

\$3.8 million was expended in PY 17 compared to \$1.9 million in PY 16.

- *Other Non-Grant revenue* - WorkKeys Profiling dollars will carry over to PY 18 and an additional \$100,000 was received.

Overall, Region 4 invested 86% (\$9 million) of the funds budgeted for PY 17, \$750,000 more than PY 16.

The bottom half of the report shows line item expenditures. Expenditures as of 6/30/18 were at 86%. Tara reported specifically on the following expenditures:

- *Occupancy* – expended at 104% due to miscellaneous costs for Youth events held during the spring. The events were covered by their own revenue and not budgeted for the year.
- *WorkOne Center Overhead Costs* – overage due to the Kokomo office move.
- *Direct Participant Costs – WIOA Incumbent Worker Set Aside* underexpended at 52%. Incumbent worker expenditures did not occur until the second half of the PY 17.
- *Direct Participant Costs – JAG, WIN & Other* – JAG expenditures were more staff-oriented than direct participant costs. Some WIOA Youth funds were used. Unspent JAG funds will be carried over to PY 18 and are much needed.

PY 17 Unrestricted Fund Analysis Report ending 6/30/18

At the recommendation of our auditor, we will not continue to manage funds for organizations that we do not directly control. White County United Way is taking over the role of fiscal agent for the Community Mentoring Program. Region 4 closed out that sub-account and sent the funds for the program to the White County United Way. The analysis shows TAP unrestricted and WorkKeys Profiling. WK Profiling generated \$23,000 of income over expenditures, which is moved to the Unrestricted Fund balance. The Unrestricted Fund balance as of June 30, 2018, is \$183,349.21.

Proposed PY 18 Budget

Revenue

Tara presented the proposed Program Year 2018 Budget for Region 4. The total funding available is \$11.7 million.

WIOA Funding (IDWD). Region 4 received its new allocation that can be budgeted for PY 18 & 19. Approximately 30% will be set aside during PY 18 and carried over for budgeting for PY 19 Q1. 70% of the new allocation, plus the carry-in from PY 17, will be budgeted for PY 18. The total WIOA funding available for budgeting in PY 18 will be \$790,000 less than PY 17. The significant decrease had led to nine service provider staff reductions and two TAP staff reductions.

Non-WIOA Funding (IDWD). The number of non-WIOA funded grants is fewer than in the past.

- *JAG State* – the funding decrease is due to less carry in and the absence of JAG TANF funds. Reductions in staff occurred under JAG funding including the JAG Coordinator and JAG Assistant Manager positions. Other vacant JAG positions include the JAG Specialist position in Twin Lakes. Christine Shaffer took a new position with DWD as a JAG Mentor. The JAG Manager, Jenni Mykkanen, resigned her position to be the caregiver for her son, Luke, who was critically injured in Memphis, TN.

All told, there is \$537,000 less in non-WIOA funding which, when added to the \$790,000 loss in WIOA funding, results in a total decrease in funding from DWD of \$1.3 million compared to PY 17.

Direct Federal Grant Revenue (USDOL)

- *Ready to Work* grant period ends 10/31/2019; *America's Promise* grant period ends 12/31/2020. There is \$3.3 million available to invest during PY 18.

These grants contributed \$3.9 million to our total expenditures during PY 17.

TAP Revenue – WorkKeys Profiling (IDWD). We are proposing to budget \$40,000 of unrestricted funds generated from WK profiling over the past two years to pay a portion of Chris Waymire's salary in PY 18. It is through Chris' efforts that this income was generated.

Total Available to Budget - \$7,549,784 for PY 18, compared to \$9 million in expenditures in PY 17.

PY 17 Proposed Budgeted Line Item Expenditures

Most line items show a decrease.

- *Salaries – Fringe Benefits* at the TAP level-no salary increases are requested for PY 18. Things are okay now. As the year progresses, additional stress points may appear.
- *WDB Discretionary - Expenses of the Board*
 - Board Meetings – funds budgeted remain the same as last year
 - Board Travel/Conferences – decreased. It is recommended to not attend the NAWB Forum in Washington, D.C., and to not renew NAWB dues.
 - Strategic Planning – reduced amount
 - Annual Meeting – increased to cover possible cost increases with a large event
 - Workforce Intelligence Information – our portion remains the same as previous year

A motion was made to approve the proposed PY 18 Budget for presentation to the full Board.

Motion: Larry West

Second: Arden Cramer

Action: Unanimous approval

Larry West asked about the type of reporting our Business Services staff members provide. The Executive staff receive monthly reports on WorkOne REACH activities, including WorkKeys testing, employer interviewing, placing job orders for employers, and employer visits. These reports also go to DWD.

Adjournment

The motion was made to adjourn the Finance Committee.

Motion: Larry West

Second: Arden Cramer

Action: Unanimous approval

Finance Committee adjourned at 8:38 am

Executive Committee

Welcome & Introduction

Larry West, Chair, welcomed everyone and called the meeting to order at 8:38 a.m.

Operations

Mellisa Leaming presented the Operations report in the absence of Deb Waymire.

Grant Activity Update

- Ready to Work (RTW) – The grant has exceeded 6 of 7 goals. We were awarded a one-year grant extension and expect to hit all 7 goals by October 31, 2019. The extension will allow staff to focus on the last goal (the number of internships), and to work with participants to keep them engaged in employment.
- America’s Promise Grant (APG) – The grant is on track to exceed all its goals. The grant period ends December 31, 2020. 830 of the planned 1,124 participants have been enrolled to date.
- Skill Up 3 – is the most recent special grant received through DWD. Currently, 51 individuals are enrolled in vestibule training. 175 youth participated in the *coder dojo* training, career awareness, and robotic camps, which will continue into the school year. We are helping expand Governor Holcomb’s *Work Ethic Certification Program*. Six local schools have received grant funding to implement work ethic programs, and seven others are awaiting approval. Grant funds has also been used to bring Dr. Andrew Melin, Superintendent of Greater Clark County Schools, to speak to educators, economic developers, and others from throughout Region 4 on July 27 on the topic, *Creating a Work Ethic Certification Program*. Greater Clark County School Corporation invited interested individuals to see its PRIDE

Program on September 28th. Information can be provided for those interested in attending. Larry West requested information.

Roger Feldhaus attended the Tippecanoe County Substance Use Disorder Symposium. Roger was impressed with the way the community is working together on treatment and recovery issues. Brenda Cruea from our Ready to Work program was a featured presenter.

JAG Staffing & Funding

The Region 4 JAG team achieved 5 of its 5 goals during PY 17. All regions in Indiana achieved the “5 of 5” goal standard. We have nine JAG schools in Region 4, eight are traditional multiyear programs and one is a non-traditional school. The Region 4 JAG Manager and the Senior JAG Specialist at Twin Lakes have recently resigned; the JAG Assistant Data Manager and JAG Coordinator positions were eliminated due to budget cuts. Shaun Brames, a previous JAG Manager with experience in Region 11, was hired as JAG Manager in Region 4 and will begin September 1st. Will Ellis is the new JAG Specialist at Twin Lakes. JAG Specialists work with their students during the students’ Junior and Senior years and one year of post-high school follow-up. Ivy Tech and Vincennes U. campuses are adding positions that will connect with JAG students as they enter postsecondary education.

The Governor is committed to expand the JAG program into an additional 250 schools over the next 5-6 years. There are no funds available yet for expansion, but DWD and the local areas are asked to look for other opportunities to fund for the program, including asking the schools themselves.

Roger added, that due to limited In-School Youth and State JAG funds, we have not been able to further compensate our existing JAG Specialists.

WIOA Youth Funding Waiver

Currently, no less than 75% of the WIOA Youth funds can be used for Out-of-School, and no more than 25% for In-School Youth. DWD has received a waiver from USDOL for PY 18 and PY 19 that allows no less than 50% for Out-of-School, and no more than 50% for In-School Youth. Region 4’s WIOA Youth funding allocation and Youth programming are such that applying the waiver may not be feasible, especially if the waiver may only be effect for two years.

Administration

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 prior to the dinner. Possible speakers for the event are Danny Lopez, Blair Milo and Fred Payne. We want to hold a larger event this year with more guests. Tina Overlay-Hilt has requested assistance with the guest list so that “save-the-date” notices can be sent out. Area state legislators & candidates, local elected officials, economic development representatives, education & training institution representatives, and employer partners will be included on the guest list.

Board Membership Renewals

Region 4 Workforce Board has several seats to fill on the board. Shannon Polmateer, Lafayette Area Vocational Rehab, is replacing Sheri Burnett; Yvonne Smith, Director of the Lafayette Adult Resource Academy, and Elva James, Executive Director of Area IV Aging & Community Action Programs, have also agreed to serve. Roger has asked Doug Mansfield, President, Kirby Risk Manufacturing, to serve and is seeking another representative from Tippecanoe County. For representation from Howard County, Roger will reach out to Tyler Moore, Moore Title & Escrow and Howard County Commissioner, and Jim Woolf, FCA.

Board Election of Officers

Region 4 Workforce Board officers are elected for a one-year term. Alicia Hanawalt has agreed to serve in a leadership capacity. Deb Close and Larry West would be resources for Alicia. A slate of officer candidates may be Alicia Hanawalt, chair; Mike Smith, vice chair; Steve Snyder, secretary; and Arden Cramer, treasurer.

New Grant Funding Status

Zuckerberg/Rockefeller Foundation Grant – Region 4 was not selected to move to the next phase of the grant application process. There were 1,800 Round 1 applications; 80 applicants were selected by peer review for continuation to Round 2. Based on the peer review comments received, the grant opportunity was more about community and personal development than the workforce and economic development approach Region 4 took.

USDOL's Grant Serving Dislocated Workers – Region 4 may pursue, but our region does not have a strong case to present for the underserved dislocated worker population due to the other special grants in our region. There also have not been any large dislocations in any one sector.

DWD's WIOA Performance Support Grant – A \$1.1 million grant is available to regions that experienced a reduction in WIOA funding. These funds are part of the state's WIOA allocation held in reserve for the Governor's discretionary use. Region 4 will submit a proposal for a portion of these funds. Deadline for the application is September 19, 2018.

Markle Foundation Skillful State Network – Governor Holcomb is supporting Indiana's becoming a Skillful State. Region 4 expects to be involved in the implementation of an employer/career counselor tool kit initiative. There is no immediate funding provided to participants in this initiative, but it does provide the opportunity for future funding as a partner in an innovative national network of workforce development organizations. We have met with Skillful representatives on two occasions over the summer months.

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. Brooklyn Burton, Senior Project Manager, was submitted as a nominee for this fellowship. Applications are under review. This is yet another opportunity to grow future leaders and infuse new ideas in our approach to workforce development.

Luncheon for Legislators

Since we are heading into the last few weeks before the general election, we will invite the candidates to the Annual Dinner in November. We will tailor a luncheon event post-election and prior to the start of the 2019 legislative session to expose newly elected legislators to the work of Region 4 WDB. A date will be scheduled for early-, mid-December.

Minutes of the Strategic Plan Review Session

Committee was provided the minutes and revised goals from the Strategic Plan Review session. Please review. Roger will provide a summary to the Board meeting on September 19th for approval.

Update of the Local Plan

The Region 4 Local Plan was submitted two years ago. The Executive team is reviewing, amending and modifying the plan to submit to DWD. The modification will be posted on the Region 4 Workforce Board website by August 31st. The modified plan is due September 30, 2018.

INWBA Status

All regional Execs, subject to their respective Boards' approval, have agreed to pay dues and become active members of INWBA. Roger will provide a summary of the minutes from the Executive Directors' August 9th

meeting after approved. Dues for INWBA have been reduced to encourage active membership. Tara Bradley asked, if Deb Close is not the Region 4 Workforce Board chair or vice chair, does that affect her role in INWBA. It may. INWBA has expressed openness to changing its by-laws to equalize INWBA membership and Executive Committee membership with respect to WDB member representatives and WDB Executive Staff representatives.

A motion was made to approve the meeting minutes from the combined Executive and Finance Committee meeting on Wednesday, June 20, 2018 as presented.

Motion: Deb Close

Second: Arden Cramer

Action: Unanimous approval

Adjournment

The motion to adjourn the Executive Committee adjourned at 9:40 a.m.

Motion: Arden Cramer

Second: Deb Close

Action: Unanimous approval