



**WORKFORCE DEVELOPMENT BOARD
Finance Committee Meeting Minutes
May 31, 2017 @ 3:00pm
SC Works Clemson Comprehensive Center, Large Conference Room**

Members Present

Mike Wallace, Chair Stephanie Collins Ronnie Booth

Members Absent:

David Collins

Staff Present:

Sharon Crite Jennifer Kelly Trent Acker
Windy Graham

Guest Present:

Kal Kunkel Karen Craven Renee Alexander
Patrick Morgano

CALL TO ORDER & INTRODUCTIONS

Chair Mike Wallace called the meeting to order at 3:09pm welcoming everyone in attendance and announcing a quorum was present to conduct the business of the Committee and reminding everyone the meeting was being recorded for the processing of minutes. Introductions were made by everyone attending.

APPROVAL OF 2-1-2016 MEETING MINUTES

Mr. Wallace reminded the committee that the meeting in April was cancelled; therefore, the meeting minutes available to the committee were from the February meeting. Mr. Wallace called for a review of the minutes and any corrections/amendments to the minutes or a motion to approve.

ACTION TAKEN: Stephanie Collins made a motion to approve the minutes as submitted, seconded by Ronnie Booth. The motion carried unanimously.

PY16 BUDGET OVERVIEW

WorkLink Grants

Mr. Wallace deferred to Eckerd Workforce Development Services staff for reporting.

Adult/DW, Rapid Response Overview

Ms. Renee Alexander, Regional Manager for Eckerd Workforce Development Services, referred to pages 5-10 providing the following budget updates:

- Page 5 shows expenditures for the Adult Program budget at 68.8% out of 83.3% goal through April 2017. The salary line item is tracking on target at 80.7%.
- The Dislocated Worker Program budget as shown on page 6 is currently 26.2% expended out of the goal of 83.3%. Ms. Alexander stated this budget looks out of proportionate due to a budget modification to the tuition line item in early 2017. Although the tuition line states that only 20.7% expended, the obligation report seen on page 10 shows that expenditures are much higher at 77.7%, pending receipt of invoices from vendors. Eckerd forecasts being able to expend this budget by June 30, 2017.
- Page 7 shows the Rapid Response DW budget which is spending on target at 76.2% of a planned 83.3%. The salary line item is tracking at 68%. The training line item is already spent at 95%.
- The Operator Adult budget on page 8 is currently 69.0% expended out of 83.3% goal. The Salary line item is tracking at 70.8%.
- Page 9 is of the Dislocated Worker Operator grant, which is expending at 82.1% of a target of 83.3% through April. Ms. Alexander stated that a modification would be discussed shortly regarding salary overages.
- Continuing on page 10, Ms. Alexander stated the obligation chart shows Adult and Dislocated Worker WIOA Training vouchers issued with \$344,461.77 of funds have been obligated, of which \$274,483.37 have been paid to Training Providers on behalf of participants, and \$69,978.40 which are pending payment. Overall 77.7% of all funds available in Adult and Dislocated worker have been vouchered or expended. Training is still being approved.

Adult/DW Operator Modification #2

Mr. Kal Kunkel, Operations Director for Eckerd Workforce Development Services reviewed the proposed Modification number two presented in the packet. Mr. Kunkel stated this budget modification was primarily to correct overages in the salary/fringe and communications line items. On page 12 of the packet, salary and fringe costs have been increased by \$332.85. On page 13, Mr. Kunkel stated that the following are proposed line item adjustments to cover the salary overages:

- Line 1.2 Staff Consumables decreases by \$139.14.
- Line 1.5 Communications increases by \$38.18 to cover a slight overage in this line item.
- Line 1.7 Staff Conferences, Training decreases by \$100.20.
- Line 1.8 Staff Equipment/Computer Leases/Software decreases by \$131.69.

Mr. Kunkel stated that the overall Operating Line item decreases by \$332.85. Training, Supportive Services, and Indirect & General Liability Insurance remains the same. The total amount of the grant will remain the same. Mr. Kunkel stated this should cover the staff under this grant for the remainder of the year.

ACTION TAKEN: Ronnie Booth made a motion to approve the second modification to the Adult/Dislocated Worker Operator budget as submitted, seconded by Stephanie Collins. The motion carried unanimously.

Youth Budget Overview

Karen Craven, Program Manager for Palmetto Youth Connections, referred to page 17 of the packet stating the Youth budget is currently spent at 74.0% out of a goal of 83.3%. Ms. Craven called attention to the Work Experience line item, which is 83.3% expended through April equating to 5,915.46 hours of training. The goal for the year is a total of 7,102 hours of work experience for youth participants. The goal is driven by a 20% requirement established under the WIOA law.

In House Budget

Trent Acker, WorkLink Executive Director, presented the in-house budget, stating that expenditures are tracking as expected with no surprises. The only line item that is slightly over is the Memberships, Dues and Professional Fees. Mr. Acker stated that he would look at ways to remedy the \$313 overage within the budget.

Mr. Acker reviewed the Obligation Rate and Fund Utilization Rate on page 19. Mr. Acker stated that we expect to meet the Fund Utilization Rate goal of 70% in each line item by June 30. Brandi Runion, Finance Contractor, is monitoring this over the next month. WorkLink will not have any issue meeting the obligation rate goal of 80% by June 30. Youth has already met their goal, Adult and Dislocated Worker is within two percentage points and does not include upcoming in-house expenditures for June.

PY'17 BUDGETS

Adult, DW, Operator

Mr. Acker stated that at this time the Adult, Dislocated Worker budgets have not been finalized for review by the committee. WorkLink staff is still waiting to hear from Department of

Employment and Workforce as well as Department of Labor regarding final allocations for PY17. This has made budget preparation difficult. Staff hopes to have a draft budget to the Board on June 7, 2017.

Youth

Ms. Craven handed out copies and reviewed the proposed PY17 Youth budget, stating that the expectation was that there would be a 5% overall reduction to the Youth formula funds for PY17. The proposed total contract amount will be \$645,357.23, to serve the same level participants as PY16 of 156 participants.

Overall, the following changes are recommendations to be made from PY16 to PY17:

- Salary Costs to account for actual hourly rates for staff increases by \$466.51.
- Fringe Benefits decreases by \$8,292.32. Unemployment rate decreases from 1.72% to 0.98% and Workers Compensation decreases from 3.0% to 1.0%.
- Operating Costs decreases by \$6,625.56.
 - Line item 1.1 Facility, Utilities, and Maintenance costs remain the same for use of the Adult Education spaces.
 - Line item 1.2 Staff Consumable supplies decreased to reflect expected needs in PY17.
 - Line item 1.3 Advertising, Outreach has been zeroed out. Staff has marketing materials, and WIOA limited what may be purchased for outreach purposes.
 - Line items 1.4 Copy, Print and 1.5 Communications decreased slightly.
 - Line items 1.6 and 1.7 Staff Travel and Staff Conferences and Training adjusted due to staff not attending conferences this year.
 - Line item 1.8 Staff Computers (ETO) increased slightly.
 - Line item 1.9 Postage costs increased to use FedEx for Students checks instead of US Postal Service.
- Training Costs decreases by \$17,441.59.
 - Line item 2.1 Participant supplies remains the same.
 - Line item 2.2 & 2.6 Participant books and Tuition (College or Vocational) increases due to anticipation of more students entering occupational training.
 - Line item 2.3 and 2.5 Credential Exam Fees and Tuition (Adult Education) decreases due to higher pass rates of students in PY16.
 - Line item 2.9 Work Experience decreases based on expected decrease of Youth formula funds.
 - Line item 2.11 Software Licenses decreases due to the Adult Education funding the Learning Express Library software.
- Supportive Service Costs remains the same.

- Indirect & Fees decreases by \$2,073.20. General Liability increased from .6% to .75%.

ACTION TAKEN: Ronnie Booth made a motion to approve the proposed PY17 Youth budget as presented, seconded by Stephanie Collins. The motion carried unanimously.

ONGOING GRANTS

PY'16 IWT (16IWT01)

Mr. Acker referred to page 20 which shows the Incumbent Worker Training (IWT) summary. A total of \$4,621.10 was de-obligated from employers originally awarded funding; therefore, United Tool & Mold and McLaughlin will receive these funds to be spent by September 30, 2017.

PY'16 IWT - Round 2

Mr. Acker reported that WorkLink received approximately \$250,000 in additional IWT funds. The IWT ad hoc committee convened and voted to award the following:

<i>Company Name (Anderson County)</i>	<i>Total Award</i>
Bosch	\$46,843.20
McLaughlin	\$23,033.50
Mergon	\$29,805.00
METCO, Inc.	\$14,130.00
Plastic Ominum	\$16,445.00
TOTAL	\$130,256.70
<i>Company Name (Pickens County)</i>	<i>Total Award</i>
United Tool and Mold	\$3,456.00
Yokohoma Industry	\$9,776.50
Reliable Automatic Sprinkler	\$69,174.80
TOTAL	\$82,407.30
<i>Company Name (Oconee County)</i>	<i>Total Award</i>
BASF Corporation	\$26,583.00
BorgWarner	\$26,583.00
TOTAL	\$53,166.00

A complete report of the requests versus awards grants can be seen in the packet on page 21.

Make It In America (MiiA) Grant

Mr. Acker referred to page 24, which shows the Make It in America grant report, stating that the grant was winding down and is slated to end on September 30, 2017. Jennifer Kelly,

WorkLink Assistant Director, stated that the only remaining charges will be to the administrative portion of the grant for WorkLink and Appalachian Council of Governments staff to charge their salary, fringe, and indirect as the submit the reports to DOL on a quarterly basis.

On-the-Job Training

Mr. Acker referred the committee to the On-the-Job Training report on page 25. The PY'16 OJT summary report shows the current status of the On-the-Job Training funding, including open contracts. Mr. Acker stated that this will be where OJT sits for the remainder of the year. The WorkLink Business Service Representative, Meredith Durham, is out on medical leave for the remainder of the program year.

ADJOURNMENT

With no other business, meeting adjourned at 3:41pm.

Respectfully submitted by: Jennifer Kelly