



**WORKFORCE DEVELOPMENT BOARD  
Finance Committee Meeting Minutes  
May 30, 2018  
SC Works Clemson Comprehensive Center, Large Conference Room**

**Members Present**

Richard Blackwell      Dr. Ronnie Booth      Mike Wallace

**Members Absent:**

David Collins      Stephanie Collins      Ray Farley

**Staff Present:**

Sharon Crite      Jennifer Kelly      Trent Acker      Meredith Durham  
Windy Graham

**Guest Present:**

Karen Craven      Renee Alexander

**CALL TO ORDER & INTRODUCTIONS**

Mr. Mike Wallace called the meeting to order at 3:00 pm, welcoming everyone in attendance and announcing a quorum was present to conduct the business of the Committee. Mr. Wallace reminded everyone the meeting was being recorded for the processing of minutes.

**APPROVAL OF 1-31-2018 MEETING MINUTES**

Mr. Wallace called for a review of the minutes and any corrections/amendments to the minutes or a motion to approve.

**ACTION TAKEN: Richard Blackwell made a motion to approve the minutes as submitted, seconded by Dr. Ronnie Booth. The motion carried unanimously.**

**PY'17 BUDGET OVERVIEW**

**WorkLink Grants**

Mr. Wallace referred 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 6-10 providing the following budget updates:

- Page 6 shows expenditures for the Adult Program budget at 84.4% out of 83.3% goal through April 2018.
- The Dislocated Worker Program budget as shown on page 7 is currently 65% expended out of the goal of 83.3%.
- Page 8 shows the Operator Adult budget which is currently expended at 81.7%.
- The Operator DW budget on page 9 is currently 91.3% expended.
- Continuing on page 10, Ms. Alexander stated the obligation chart shows Adult and Dislocated Worker WIOA Training with \$369,747.76 of funds that have been paid to Training Providers, and approximately \$47,820 which are pending payment. Expected expenditures for PY'17 are \$482,884.90 in approved ITAs.

### **Adult, DW, Operator PY '18 Budget(s)**

Mr. Trent Acker referred to the WIOA Program Allotments for Program Year 2018 sheet that was included as a separate piece of the packet. There are decreases in all 3 fund streams for the WorkLink area. The Adult fund stream shows a 16.36% decrease, the Youth shows 16.9%, and DW shows 20.5% decrease year over year.

Ms. Alexander referred to the Grant Budget Summary on page 11, which shows the Adult/DW Proposed Budget for PY '18 with a total budget cost of \$740,000. The total budget costs for the Adult program is \$651,715, and the total costs for DW is \$88,285. The Cost and Price Analysis Worksheets were provided on pages 12-13. Ms. Alexander highlighted that Eckerd is planning for \$329,133 to be used in direct participant training costs and \$9,491 in supportive services costs. The Client Flow Projections was listed on page 14, showing that Eckerd plans to enroll 230 new participants and serve participants from carryover, totaling 571 participants. A Budget Flow Projections sheet was provided on page 15.

Ms. Alexander pointed to page 17, which shows the Indirect Costs for PY '18. The Indirect Rate for PY '17 was 8.86%, and has changed to 12.0% for PY '18. Ms. Alexander explained that the methodology has changed for PY '18. Direct costs will be modified, which means that the 12.0% rate will only be charged on items that are directly related to operating expenses. Participant related costs will never be charged the 12.0% rate.

Ms. Alexander referred to the Operator budget piece. The Operator budget was \$85,000 for PY '17 and will remain at \$85,000 for PY '18. The Cost and Price Analysis Worksheets and Budget Flow Projections were also provided for reference. The 12% rate will be charged against the Operator budget because there are no training dollars associated.

**ACTION TAKEN: Dr. Ronnie Booth made a motion to approve the PY '18 Adult and Operator Budgets as presented, seconded by Richard Blackwell. The motion carried unanimously.**

### **Youth Budget Overview**

Karen Craven, Program Manager for Palmetto Youth Connections, referred to page 18 of the packet, stating the Youth budget is currently spent at 79.3% as a whole as of April 2018. Ms. Craven called attention to the Work Experience line item, which is 84% expended through April 2018.

### **Youth PY '18 Budget**

Ms. Alexander referred to page 19 for the proposed PY '18 Youth Budget Comparison sheet. Eckerd negotiated with the Youth Committee to move forward with Budget B, which is what is presented in the packet. The total proposed budget is \$600,000. Ms. Alexander highlighted that total Operating Costs for this budget are \$31, 160.92, total Training dollars is \$80,833.75, and total Supportive Services costs is \$ 33,925. The Indirect Cost and Fees were listed at the bottom of page 19. The Cost and Price Analysis Worksheets were provided. The Client Flow Projections was listed on page 24. Eckerd plans on serving 156 participants in PY '18. The Budget Narrative was listed on pages 25-26.

**ACTION TAKEN: Dr. Ronnie Booth made a motion to approve the PY '18 Youth Budget B as presented, seconded by Richard Blackwell. The motion carried unanimously.**

### **In House Budget**

Mr. Acker presented the in-house budget. Mr. Acker pointed out several items for the committee, stating that all other items were spending normally. There were unanticipated repair expenses for the WorkLink car. Mr. Acker pointed out the Training and Transportation line items. The unemployment compensation line item funds that were set aside will not be expended. Mr. Acker anticipates being able to cover any overages within the in-house budget if needed.

Mr. Acker pointed to the Undesignated Funds to show that \$259,000 in Adult funds and \$183,000 in Dislocated Worker funds that are set aside to carryover to PY '18. The State has also encouraged local areas to apply for Rapid Response funding, which can be used to serve Dislocated Workers and will allow the opportunity for more funds to be transferred to the Adult budget.

Mr. Acker would like to propose that the In-House Expenses be considered as the initial budget for PY '18, until a more formal budget can be presented. There will not be an increase in In-

House expenses. The SC Works facilities costs are expected to decrease, since DSS will have staff housed in the Clemson and Seneca SC Works Centers.

**ACTION TAKEN: Dr. Ronnie Booth made a motion to approve the PY '18 In-House Budget as presented, seconded by Richard Blackwell. The motion carried unanimously.**

Mr. Acker stated that the goal for WorkLink is to meet the 70% fund utilization rate and the 80% obligation rate by June 30. The Fund Utilization Rate as of April shows that is 2% ahead for Adult, 1% for DW, and 7.5% Youth. Mr. Acker also noted that the Obligation Rate is in line for the goal to be met.

### **ONGOING GRANTS**

#### **PY'16 IWT - Round 2**

Mr. Acker reported out that WorkLink received approximately \$250,000 in additional IWT funds. The breakdown of which companies and their expenditures can be seen on page 27. As of May 29, 2018, \$210,605 had been expended. Due to rescheduled trainings and HR staff changes, some funds will be sent back to DEW.

Also listed on page 27 are the Rapid Response IWT grants. Imperial Die Casting is closing out with a remaining balance of \$8,895. Siemag is still open with a remaining balance of \$22,540. An additional company, Ideal Steel's remaining balance is \$34,114. Patriot Automation has recently been approved with no expenditures at this time.

#### **PY'17 IWT**

Mr. Acker reported that WorkLink received approximately \$150,000 in PY17 IWT funds. The companies that have been approved along with their trainings can be seen on page 28. All companies that were funded were located in Anderson County. Mr. Acker stated that this was due to the funds available last year and the new rule now in place that says a company cannot apply for IWT funding if they have an open ReadySC project. Mr. Acker stated that Meredith Durham will participate in an IWT workgroup for the next round of IWT.

#### **Rapid Response DW Grant**

Eckerd will bring on an additional career coach, through the Rapid Response Grant that was awarded, to assist with Rapid Response events in non-traditional transition services.

**Transportation Grant**

Mr. Acker provided a status update on the Electric City Transit grant listed on page 35. He noted that ridership is averaging around 44% which is less than the goal of 60%.

**On-the-Job Training**

Mr. Acker referred the committee to the On-the-Job Training report on page 36. Meredith Durham has been in contact with several companies regarding OJT. There are currently 2 OJT contracts for PY '17. Any leads from the committee are appreciated.

**Other Business**

Mr. Wallace called for other business.

Mr. Richard Blackwell inquired on plant closings in the Anderson, Oconee, and Pickens areas. Mr. Acker stated that AFCO, Alice Manufacturing, and Kongsberg have been in the process of closing. He noted that most employees have received employment offers elsewhere.

**ADJOURNMENT**

With no other business, meeting adjourned at 3:42 p.m.

*Respectfully submitted by: Meredith Durham*