

**SUMMIT/MEDINA WORKFORCE DEVELOPMENT BOARD
FINANCE COMMITTEE MEETING
OF
AUGUST 1, 2017**

The Summit & Medina Workforce Area Council of Governments (SAMWA COG) Offices
191 South Main Street, Akron, Ohio 44308

Workforce Development Board (WDB) & Finance Committee Members Present:	Jeff Bissell, Finance Committee Chair Anthony Esposito, WDB Chair David Prentice
Committee Members Absent:	Mark Derrig
SAMWA COG Staff Present:	Daniel Grantham, Operations Coordinator Christine Marshall, Executive Director
Area 2 Fiscal Agent:	Terri Burns, CFO, County of Summit Dept. of Job & Family Services (CSDJFS) Mark Milhoan, Fiscal Reporting Officer, CSDJFS
Also Present:	Brian Nelsen, Director, County of Summit Dept. of Finance & Budget (CSDFB)

I. INTRODUCTION

- The meeting was called to order by Bissell at 8:03 AM with an introduction of those present.

II. APPROVAL OF MINUTES

- Bissell asked the Body to review the draft of the 6/27/2017 Finance Committee meeting minutes.
- Burns requested the following change:
 - Under Section III (ii), strike the word "retained" in "Year 2 WIOA Administration (WIOA-A) funds [...] which expire on 6/30/2017 will be moved to [WIOA-Program (WIOA-P)], allowing them to be retained," and add "expended by the liquidation date of 9/30/2017" to the end of the sentence. Grantham agreed to include the suggested change in the final version of the minutes.
- Bissell requested a motion to approve the 6/27/2017 with the proposed revision. Prentice made the motion and Esposito seconded the motion. The 6/27/2017 minutes were thus approved.

III. REPORTS

- Burns presented Financial Reports which included fiscal breakdowns by Area, County, and Contract. As of 6/30/2017, Area 2 has:
 - \$889,032.02 of WIOA-P funds available to expend;
 - \$576,809.85 of WIOA-A funds available to expend;
 - \$0.00 of State Fiscal Year (SFY) 2017/ WIOA Program Year (PY) 2016 OhioMeansJobs (OMJ) Center Resource Sharing funds and \$0.00 of American Job Center Branding funds available to expend.
- Burns noted that expendable funds as of 6/30/2017 do not represent actual Year 2 carryover amounts. Actual carryover amounts will be identified closer to the end of the SFY 2017 liquidation period (on 9/30/2017).
- Burns began review of the Area 2 Contract Report. As of 6/30/2017, the only WIOA-P contract in Area 2 without an unspent balance is the United Labor Agency (ULA), Summit County's WIOA Career Services (WIOA-CS) Provider. In total, 8.00% (\$162,254.28) of Area 2's WIOA-P contractual obligations for SFY 2017 (\$2,090,776.45) are unspent.
 - Bissell asked how contacts could carry an unspent balance if the full obligation is already accrued. Burns expressed that the state requires accrual of the full contract amount, regardless of actual expenditures. In the future, the Finance Committee may recommend amendments to contract amounts if such action is warranted.
- Marshall addressed WIOA-Youth (WIOA-Y) contracts. She noted that the implementation of the State's Comprehensive Case Management Employment Program (CCMEP) may be a factor in providers leaving a large proportion of funding on the table. She also expressed that under WIOA, 20% of the WIOA-Y allocation must be spent on Youth Work Experiences. To date, Area 2 has not meet this requirement.

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IV. OLD/UNFINISHED BUSINESS

- Marshall informed the Finance Committee of the SAMWA COG Board’s adoption of its recommended Preliminary WIOA Operating Budget for the 2018 State and Federal Fiscal Years (FFY). The Budget was adopted on 6/28/2017 via SAMWA COG Resolution 2017-20.

V. NEW BUSINESS

- Burns reviewed SFY 2018/PY 2017 WIOA-P & WIOA-A allocations:

ADMIN ALLOCATIONS SFY18 / PY17			PROGRAM ALLOCATIONS SFY18 / PY17		
ADMIN GRANT:	COUNTY	ADMIN AMOUNT:	PROGRAM GRANT:	COUNTY	PROGRAM AMOUNT:
ADULT	Medina	\$ 1,892.85	ADULT	Medina	\$17,033.19
	Summit	\$ 13,420.15		Summit	\$120,776.81
DISLOCATED WORKER	Medina	\$ 3,094.24	DISLOCATED WORKER	Medina	\$27,844.06
	Summit	\$ 10,985.76		Summit	\$98,875.94
CCMEP	Medina	\$ 14,820.83	CCMEP	Medina	\$133,388.24
WIOA-Y	Summit	\$ 111,586.17	WIOA-Y	Summit	\$1,004,269.58
AREA 2 ADMIN TOTAL: \$ 155,800.00			AREA 2 PROGRAM TOTAL: \$1,402,187.82		

AREA 2 PY 2017 TOTAL:

\$ 1,557,987.82

- Burns explained that these figures include the full WIOA-Y funding amount for PY 2017. Because Adult and Dislocated Worker funding is distributed at the start of both the SFY and FFY, the full amount of Adult & Dislocated Worker funds currently unknown. Additionally, because the subgrant agreement with the Ohio Dept. of Job & Family Services is not executed, these funds are not yet available to Area 2. It is likely that Area 2 will operate on carryover until October 2017.
- Burns provided a comparison of PY 2017 Allocations vs. PY 2016. Compared to PY 2016:
 - o Medina County’s WIOA-P allocation is down 31.02%;
 - Bissell asked if reduced allocations in Medina County are in part a result of an improved economy. Burns explained that the reduction in funds can be partly attributed to an improving economy in Medina County.
 - o Summit County’s WIOA-P allocation is up 4.81%;
 - o Area 2’s WIOA-A allocation is down 1.68%; and
 - o Area 2’s total allocation is down 1.68%.
- Burns provided an analysis of Year 2 WIOA-A funds which included PY 2016 quarter 4 (April – June) expenditures.
 - o Medina County’s balance of \$2,270.76 will be wiped as the amount is insufficient for carryover. The SFY 2017 WIOA-A allocation for Medina County is \$4,660.59.
 - o Summit County’s has carryover of \$180,765.08, which can be transferred to Year 2 WIOA-P.
- Burns proposed two options regarding the transfer of Year 2 WIOA-A to Year 2 WIOA-P. One of these two options must be selected to bring before the WDB and the SAMWA COG as the Committee’s recommendation:
 - o Option 1 – \$4,660.59 of Medina County’s portion of the PY 2016/SFY 2017 expenditures are paid from Year 1 WIOA-A dollars. Summit County transfers \$180,765.08 of Year 2 WIOA-A dollars to Year 2 WIOA-P.
 - o Option 2 – Summit County transfers \$4,660.59 of old WIOA-A dollars to Medina County, resulting in zero expenses against the Year 1 WIOA-A allocation. Summit County transfers \$176,104.49 of Year 2 WIOA-A dollars to Year 2 WIOA-P.
- Burns expressed that, in her opinion, Option 2 made the most sense.
- Bissell motioned to recommend Option 2 to the WDB so that a resolution formally approving the transfer can be adopted at the 8/10/2017 SAMWA COG meeting. Prentice seconded the motion, thus adopting Option 2 as the recommendation to be made to the WDB and SAMWA COG.
 - o Bissell cautioned that this recommendation is based upon a projection and Year 2 carryover to Year 1 won’t be known in fully until the close of the liquidation period on 9/30/2017.
 - o Marshall expressed that any unspent WIOA-P funds tied to contacts should be used for Individual Training Accounts (ITAs) and On-the-Job Trainings (OJTs).
 - o Burns hopes to know full carryover amounts by the close of August when July expenses are paid.

VI. GOOD OF THE ORDER & ANNOUNCEMENTS

- In preparation for the Finance Committee's report at the 8/9/2017 WDB meeting, Bissell identified the takeaways from today's meeting:
 - The budget allocation is being cut for Medina County.
 - Regardless of the cuts to Medina County's budget, the estimated carryover of \$1,700,000.00 assuages concerns regarding Area 2's longer-term fiscal outlook.
- Jeff asked the body for their advice on which documents to include as attachments to the WDB's agenda.
 - Nelsen, Prentice and Esposito agreed that a big-picture, macro-level overview of the Area's finances should be used.
 - Esposito recommended using the Area-wide financial report. Bissell agreed that this was the best option, suggested the addition of the two options and the Committee's recommendation of Option 2 to the bottom of this report.
 - Based upon the Committee's recommendations, Burns agreed to rework the Area-wide report.
- Burns expressed that ODJFS is conducting a financial review of Area 2. Burns was asked some questions regarding Area 2's finances. At this time, there are no major concerns to address.
- Jeff inquired about the status of Area 2's work with the firm Rea & Associates. Burns explained that the firm will present to the WDB at the September 2017 meeting.
- Nelsen asked about the status of Area 2's One-Stop Operator procurement process. Marshall expressed that the Performance Committee will meet on 8/4/2017 to review the submitted proposals.
- Burns asked the body if the Finance Committee meeting scheduled for 8/28/2017 should be cancelled. Bissell suggested holding off on the cancelation for now.

VII. ADJOURNMENT

- Prentice made a motion to adjourn the meeting. Bissell seconded the motion. The meeting was adjourned at 8:58 AM.