

THE SUMMIT/MEDINA WORKFORCE DEVELOPMENT BOARD (WDB)

FINANCE COMMITTEE MEETING MINUTES

of

March 20, 2017

OhioMeansJobs Summit County, Room 119B

1040 E. Tallmadge Ave, Akron, OH 44310

Present Finance Committee Members: Jeff Bissell

Absent Finance Committee Members: Mark Derrig, David Prentice

Area 2 County Staff Present:

- Terri Burns - CFO, County of Summit Dept. of Job & Family Services (CSDJFS)
- Daniel Grantham – Operations Coordinator, SAMWA COG
- Christine Marshall – Executive Director, SAMWA COG
- Mark Milhoan - Fiscal Reporting Manager, CSDJFS
- Brian Nelsen - Director, County of Summit Dept. of Finance & Budget (CSDFB)

I. CALL TO ORDER

- The meeting was called to order at 8:05 AM by Jeff Bissell, Finance Committee Chair, with an introduction of present Area 2 Summit and Medina Workforce Area Council of Governments (SAMWA COG or COG) and County staff.

II. APPROVAL OF MINUTES

- Without a quorum, the 2/27/2017 Finance Committee Minutes could not be approved. Approval of these minutes is slated occur at the next Finance Committee meeting.

III. REPORTS (SEE ATTACHMENTS 1-5)

A. Review of Financial Reports as of 2/28/2017

- Burns reported on Area 2 Financials as of 2/28/2017. Highlights include:
 - Approximately 50% of State Fiscal Year (SFY) 2017's OhioMeansJobs (OMJ) Center Resource Sharing Grant (Ohio Dept. of Job & Family Services [ODJFS] funds) is spent
 - WIOA Program = \$1,291,802.66 (30.77% of SFY 2017 Program total) available to expend
 - WIOA Administration = \$663,228.95 (96.45% of SFY Admin. total) available to expend
 - Noting that it was the first day for Marshall and Grantham as SAMWA COG employees, Burns expressed WIOA Admin. expenditures will now increase. Initial budgets planned for 6 months of COG payroll in SFY 2017, but such expenditures will only occur in the final 3 ½ months of SFY 2017 (March 20 – June 30, 2017).
 - Marshall expressed that the Finance Committee had initially budgeted for costs associated with renting office space. The County of Summit was able to provide the COG staff with office space at a rate of \$1.00/year.
 - Burns expressed that COG Staff onboarding necessitated the purchase of various office supplies, IT, and other items. A list of these purchased items will be furnished for the Finance Committee to review. All COG assets will be tagged and tracked.
 - Marshall expressed that at least 1 additional COG staff member will be hired in the future. If funding allows, the total number of staff may be brought up to 4.
 - Total WIOA Grants Available to expend = \$1,955,031.61 (40.02% of total WIOA funds).

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IV. OLD/UNFINISHED BUSINESS

A. Discussion of WIOA Admin. Reallocation Thresholds & Program/Admin. Purchasing Authorities

- Bissell opened discussion on COG Resolution 2017-08, approved by the COG on 3/6/2017. 2017-08 provides the Executive Director and Finance Committee with the following WIOA Admin. Budget Reallocation thresholds and WIOA Admin. and Program Purchasing Authorities:

ADMIN BUDGET LINE ITEM	EXECUTIVE DIRECTOR REALLOCATION THRESHOLDS	FINANCE COMMITTEE REALLOCATION THRESHOLDS
Salaries	Up to \$5,000.00 (flat amount)	Up to \$10,000.00 (flat Amount)
Benefits	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount
Travel Expenses	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount
Contract Services	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount
Operations	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount

ENTITY	PURCHASING AUTHORITY – WIOA PROGRAM & ADMINISTRATION FUNDS
Executive Director	Authority to sign for purchases or agreements with annual cumulative expenses by vendor/provider up to \$10,000.00
Finance Committee	Authority to sign for purchases or agreements with annual cumulative expenses by vendor/provider ranging from \$10,000.00 to \$50,000.00
SAMWA COG	Purchases or agreements with annual cumulative expenses in excess of \$50,000.00

- Bissell noted that the reallocation thresholds for salaries provide the Executive Director with leverage in future recruitment-related salary negotiations. He expressed his plan to incorporate 2017-08 into his PowerPoint Presentation for the 3/22/2017 WDB meeting.
- Nelsen expressed that while the COG retains the authority to reject reallocations or purchases after the fact, 2017-08 allows Area 2 to make small purchases and budgetary changes without calling the COG Board together for a meeting to approve of them.
 - Marshall added that the COG Board is legally “on-the-hook” with regard to use of WIOA dollars and would have to answer for any future audit findings. This is in part why any purchases over \$50,000.00 must go straight to the COG.
- Nelsen expressed that unexpected fees associated with audits and audit findings also necessitated these authorities and thresholds. To minimize such expenses, Rea & Associates will soon begin its review of Area 2’s financials and fiscal structure. The first meeting with Rea & Associates is slated for 4/3/2017. The goal with this meeting is to have a question and answer session to ensure that Area 2 is in good standing when the State Auditor begins its review of Area 2 and the SAMWA COG. Rae & Associates will be provided with the WDB and SAMWA COG bylaws, resolutions, and financial reports as of 2/28/2017.

V. NEW BUSINESS

A. Discussion of 2017-2018 (SFY 2018) WIOA allocation projections

- Burns expressed that on 3/7/2017, Area 2’s WIOA Fiscal agent received ODJFS’ preliminary WIOA projections for SFY 2018. It is important to note that figures projected are not the final. Burns summarized the projections:
 - Reduced allocations for Medina County and other Areas are likely.
 - Medina County projection – cuts of 32.39% in Adult/Dislocated and 34.69% in Youth.

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- Bissell observed that while the WIOA formula used by ODJFS is, in part, dictated by need (i.e. unemployment rates), it also reduces the Admin. allocation in an amount proportional to the Program reduction. this also means we have less in Admin. The reduction is occurring when Area 2's Admin. needs have increased significantly.
- Nelsen expressed that the COG structure provides the Area with a possible way to grapple with Medina County's projected budget cut. With the COG Board's approval, Area 2 could opt to split funds at current rates. Alternatively, a reallocation of \$100,000.00 would cover 2/3 of the reduction in Medina County's funding.

VI. GOOD OF THE ORDER/ANNOUNCEMENTS

A. Discussion of Workforce Area 2's IT infrastructure

- Bissell proposed providing COG staff with Webinar capabilities.
 - Grantham noted that Webinars can be made public by making the Webinar login information available online.
- Bissell expressed that if included on the COG staffs' Microsoft Office 365 subscription, SharePoint and OneNote would be useful to WDB members and Area 2 staff.
 - SharePoint is similar to Google Drive and other cloud-based file systems and is useful for sharing documents. SharePoint must be programmed and could provide COG Staff with an alternative to purchasing a shared drive.
 - OneNote is a collaborative tool that allows those granted access to work together on documents simultaneously. OneNote is helpful in collaborative settings.

B. Discussion of Area 2 Finance Committee Representation

- Marshall expressed that the Finance Committee should have a member who is a Medina County WDB appointee. Currently, the Finance Committee is comprised only of Summit County WDB appointees.

VII. ADJOURNMENT

- Jeff Bissell adjourned the meeting at 8:56 AM.