

Summit/Medina Workforce Development Board

FINANCE COMMITTEE MEETING MINUTES

November 22, 2016

OhioMeansJobs Summit County, JFS Conference Room
1040 E. Tallmadge Ave, Akron, OH 44310

Committee Members present *in-person*: Mark Derrig

Committee Members present *via phone*: Jeff Bissell; Sharlene Chesnes; Anthony Esposito

Guests and Staff Present: Terri Burns; Daniel Grantham; Christine Marshall; Mark Milhoan

A. CALL TO ORDER

- The meeting was called to order at 8:14 AM by Jeff Bissell, Finance Committee Chair, with an introduction of present Workforce Development Board (WDB) members and Area 2 staff.

B. APPROVAL OF MINUTES

- Sharlene Chesnes, Vice Chair, made a motion to approve the drafted minutes from the 11/1/2016 Finance Committee meeting. The motion was seconded by Mark Derrig. The 11/1/2016 minutes were thus approved.

C. REPORTS

- Review of Financial Reports as of October 31, 2016 for the December 14, 2016 WDB Meeting
 - i. Terri Burns, Chief Financial Officer, County of Summit Department of Job and Family Services (CSDJFS) presented Financial Reports as of 10/31/2016. Burns noted that the 10/31/2016 reports include the Federal Fiscal Year (FFY) 2017 (10/1/2016 – 9/30/2017) WIOA funding allocations as well as State Fiscal Year (SFY) 2017 (7/1/2016 – 6/30/2017) funds. As of 10/31/2016, approximately \$800,000.00 has been spent.
 - o **Total Area 2 WIOA Grants**
 - a. WIOA Program Grants
 - ❖ 2016-17 Allocation (Year 1 [SFY 2017] Funds) = \$3,098,775.00
 - ❖ 2015-16 Carryover (Year 2 [SFY 2016] Funds) = \$1,099,083.70
 - ❖ Total available WIOA Program Grants for SFY 2017: \$4,197,858.00
 - ❖ Total Increase from 9/30/2016 (reflecting FFY 2017 Funds) = \$1,672,600.00
 - b. WIOA Administrative Grants
 - ❖ 2016-17 Allocation (SFY 2017) = \$257,760.78
 - ❖ 2015-16 Carry over (SFY 2016) = \$343,301.32
 - ❖ Total available WIOA Admin. Grants for SFY 2017= \$601,062.10
 - ❖ Total Increase from 9/30/2016 (reflecting FFY 2017 Funds) = \$99,296.78
 - c. Other Grants
 - ❖ SFY 2017 OhioMeansJobs Center (OMJC) Resource Sharing = \$210,650.00.
 - These funds represent the Ohio Department of Job and Family Services' (ODJFS) portion of the Memorandum of Understanding (MOU) funds. As expenses occur, CSDJFS is reimbursed by ODJFS.
 - Chesnes asked what the OMJC Resource Sharing funds are used for. Christine Marshall, Deputy Director, Workforce Development, CSDJFS, explained that these funds represent ODJFS' portion of the

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MOU – i.e. the rent paid by ODJFS for being located at OhioMeansJobs Summit County (OMJSC). CSDJFS can pull from these funds for expenses.

- ❖ Federally mandated OMJC rebranding – “American Job Center” = \$7,000.00.
- ❖ Total Other Grants available for SFY 2017 = \$217,650.00.

○ Area 2 Accruals & Obligations

a. WIOA Program Grants

- ❖ Available balance before accruals and obligations = \$3,394,362.48
- ❖ Area 2 disbursed funds for July – October 2016 = \$803,496.22
- ❖ Year 1 accruals and obligations = \$1,774,635.88
- ❖ Available to expend after accruals and obligations = \$1,619,726.60
 - WIOA Adult = \$200,747.98
 - WIOA Dislocated Worker = \$1,029,052.71
 - WIOA Youth = \$389, 925.91

b. WIOA Administrative Grants

- ❖ Available Balance before accruals and obligations = \$585,660.94
- ❖ Funds distributed July – October 2016 = \$15,401.00
- ❖ Year 1 Accruals and Obligations = \$0.00.
- ❖ Available to expend after accruals and obligations = \$486,512.08

c. Other Grants

- ❖ Available Balance before Accruals and Obligations = \$217,650.00
- ❖ Area 2 Disbursed Funds for July-Sept 16 = \$0.00
- ❖ Year 1 accruals and obligations = \$0.00
- ❖ Available to expend after accruals and obligations = \$217,650.00

D. OLD/UNFINISHED BUSINESS

• Review of Service Providers under contract in Area 2

- i. Burns furnished a detailed list of the current contracted service providers for Area 2, representing approximately \$2.010 million in contractual obligations. Burns expresses that Summit County has approximately \$1.4 million currently obligated to contracted service providers while Medina County has approximately \$610,000.00 obligated to contracted service providers.
- ii. Burns expressed that as of 10/31/2016, Area 2 has expended \$345,405.00 on contracted services/providers.
- iii. Burns explained that contracted service providers are responsible for invoicing the WIOA Fiscal Agent (CSDJFS) by the 15th of the month following the period for which services are invoiced. The WIOA Fiscal Agent then issues payment to the contracted service provider by the end of the month, or, in some cases, the beginning of the following month.
 - Chesnes asked why Medina County has yet to spend any money. Burns expressed that she did not know the answer to that question. Chesnes expressed concern that Area 2 may be over-allocating funds to Medina County if Medina County continues to have limited expenditures.

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- Discussion of WDB Budget in Preparation for the 11/30 meeting of the SAMWA COG
 - i. Burns explained that in order to proceed with fiscal activities in Area 2, the Summit and Medina Workforce Area Council of Governments (SAMWA COG) Board, comprised of Summit County Executive Ilene Shapiro and Medina County Commissioner Adam Friedrich, must formally approve Area 2's WIOA programming obligations and the WDB's Administrative Budget. The SAMWA COG intends to do so at their first meeting which is scheduled for 11/30/2016. At that meeting, the COG Fiscal Agent (County of Summit Department of Finance and Budget [CSDFB]), responsible for WIOA Administrative Dollars, and the WIOA Fiscal Agent (CSDJFS), responsible for WIOA program funds, will provide an overview of how Area 2 intends to expend its budgets. The Finance Committee will need to approve the WIOA Administrative Budget today so that this budget can be brought before the SAMWA COG on 11/30/2016.
 - Bissell asked why the WIOA Youth's Operating Budget, funds representing cost associated with CSDJFS staff that are working on WIOA programs, is so high – approximately \$370,000.00 – relative to other Operating Budgets.
 - a. Marshall expressed that under the new Comprehensive Case Management Employment Program (CCMEP), the State's new mandated structure for administration of youth programming necessitated CSDJFS' creation of the "Career Navigator" position and the hiring of five highly-qualified staff members. In addition, there is the possibility of an additional "Career Navigator" hire in the near future. Comparing Youth's Operating Budget to that of the Adult/Dislocated Worker (ADW) Operating Budget, Marshall explained that ADW staff is not CSDJFS staff. In Summit County, ADW staff is comprised entirely of United Labor Agency (ULA), i.e. contracted, staff.
 - ii. Burns and Bissell expressed that they have collaborated on the creation of WIOA Administrative Budget brought before the Finance Committee today.
 - Bissell expressed that the total WIOA Administrative Budget for SFY 2017 is \$222,444.00, representing anticipated expenses for the period of 1/1/2017 – 6/30/2017. If the WDB had staff for all of SFY 2017, the full run rate would be approximately \$418,399.00.
 - a. At the full run rate, \$114,000.00 is allocated for the WDB Director's salary and benefits package, or approximately 27% of the total full run rate budget for SFY 2017.
 - b. At this time, no costs are expected with regard to renting office space. Space at Summit County's Ohio Building in Akron, has been offered at no cost to the WDB. Furthermore, Medina County has identified office space in the Medina County Administration Building as being available to the WDB.
 - ❖ Marshall expressed that while the office space in Summit County will be offered at no cost, there will still be costs associated with this space which the WDB's Finance Committee must anticipate. An example of such an expense is the parking fees at the Ohio Building's garage. Conversely, Medina County offers free parking at its Administration Building.
 - c. Marshall expressed that given the sensitive information, including participants' Social Security Numbers, that contracted service providers need to provide services, the WDB may need a specialized digital security infrastructure to deal with this information as it relates to the reports, audits, and reviews of program performance. Marshall expressed that the WDB may want to explore Cloud storage options for such information.

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- Given the expenses discussed, those Finance Committee members, agreed to increase the proposed WIOA Administrative Budget for SFY 2017 to \$241,154.00. Burns will redraft the reports for the presentation of the proposed budget to the SAMWA COG.

E. NEW BUSINESS

- Discussion of the difference between the WIOA Fiscal Agent and COG Fiscal Agent
 - i. Burns explained the difference between the WIOA Fiscal Agent and the COG Fiscal Agent:
 - **COG Fiscal Agent** – the entity, designated as the Subrecipient of WIOA funds granted by ODJFS, tasked with receiving, processing, and accounting for WIOA Administration funds utilized for the management and staffing of Area 2, including support of the WDB. The designated COG Fiscal Agent is CSDFB.
 - **WIOA Fiscal Agent** – the entity, appointed by the COG, to receive, process, and account for WIOA Program funds allocated to Workforce Area 2 from the COG Fiscal Agent. The COG-appointed WIOA Fiscal Agent is SCDJFS.
 - a. Chesnes asked two questions: 1) do the two Fiscal Agents interface with the WDB, and; 2) do the two Fiscal Agents have influence over the activities of the WDB?
 - ❖ Burns expressed that: 1) yes, the WDB and the Fiscal Agents will interface, but perhaps not all at the same time/in-person, and; 2) once the SAMWA COG approves the budget, the two Fiscal Agents will do only what they are designated to do.
- Update on Program Year 2015 (7/1/2015 – 6/30/2016) WIOA Fiscal Monitoring from ODJFS
 - i. Burns expressed that Area 2 received “no observations,” indicating a 100% pass.

F. GOOD OF THE ORDER

- WIOA Fiscal Training & Scheduling of the next Finance Committee Meeting
 - i. Burns expressed that she recently saw a presentation given by Ron Weber, Budget Coordinator, ODJFS’ Office of Workforce Development, regarding WIOA Fiscals and thought the Finance Committee would benefit from hearing this presentation. It was agreed to by those present that the presentation would be open to all WDB members. The Finance Committee agreed to meet on January 6, 2017, with an abbreviated Finance Committee meeting prior to Weber’s presentation.

G. MEETING ADJOURNMENT

- Derrig motioned to adjourn the meeting. Anthony Esposito, WDB Chair, seconded this motion. The meeting was adjourned at 8:59 AM.

Respectfully submitted,
Daniel Grantham, Executive Assistant
Summit County Department of Job & Family Services