

## **GLOW WDB FINANCE COMMITTEE**

### **Draft Meeting Minutes**

**GC Career Center, Batavia**

**1/3/18, 3:30 – 4:30 p.m.**

**PRESENT:** Norb Fuest, Tim Anderson, Darren Burdick; Ryan Snyder, Scott Gage, Kelly Kiebal, Beth Caton, Sandy Smith, Kristine Langless

**NYS DOL Program and FOTA Staff:** Sydney Kallisto and Barb Dieke

**WDB STAFF:** Jay Lazarony, Michele Nichols (minutes)

### **GLOW WDB Recapture Policy and Procedure for Meeting Required WIOA Expenditures Goals for Adult and Dislocated Worker Funds**

- The policy has been amended with FOTA's review and input as an action item from
- It was noted there was inconsistency on the number of days that the Finance Chairman would be notified for an action plan/timeline. **ACTION ITEM**> It was decided to be consistent with "within 10 business days." The policy will be amended and brought to WDB for a vote on 1/16/18.
- Ryan noted that with this policy being in place when WDB votes on 1/16/18, DLW funds will likely be recaptured because every county is low in spending DLW funds.
- Jay noted that Orleans County is going to do a budget amendment to transfer about \$20,000 of P.Y.2016 Carryover Adult Funds from staff wage and fringe to training and will assist any service provider who need Adult training funds. This will help with spending.
- Jay noted that NYS has a finding from USDOL for not spending TAA funds, which shows it is not just GLOW that are not able to spend DLW funds.
- **VOTE**> Darren made the motion to approve the policy with the amended change; Tim seconded the motion; all members were in favor. This will go to the WDB for a vote on 1/16/18.

### **Discussion on How to Get A Transfer from DLW to Adult Funds Approved**

- Norb noted that he received notice that DLW spending is low statewide so hopefully this will be addressed.
- A lot of DLW customers are able to get jobs and don't need training – unemployment rate is low.
- Tim asked where funds could be used for incarcerated individuals. They would be served with Adult Funds. There are 6 State prisons in GLOW.
- Scott noted that they he is now going to run out of Staff and Wages for Adult Funds because his staff is assisting WIOA Adult customers and has to be allocated out of Adult Funds. His Budget is higher than originally allocated and will have to lay off a staff person. He won't be able to provide adult career services. The DLW funds are just sitting in the budget. He really needs a \$40,000 transfer. He has 6 Adult Funding ITA applications that will be on a waiting list.
- Jay noted that we need to be creative and spend Adult Funds so that we can put in a transfer to be approved as soon as possible.
- Darren noted that there is not an influx of DLW customers from the Wagner Peyser (UI) program. DLW are getting jobs before their 2<sup>nd</sup> Unemployment Insurance appointment. There are also a lot of customers on seasonal, temporary layoffs that are not required to do a work search.
- Kelly noted that some of her staff wage and fringe that was budgeted for P.Y.2016 was not spent due to one staff person being on medical leave for the last year as well as another staff person out on medical leave for a period of time. So based on that she is able to transfer some funds.
- Barb stated something to consider for next year is for GLOW WDB hold all the funds in the future (PY2018) and distribute based on need. Jay noted that holding carryover was discussed for future but that doesn't help right now in the middle of the year.

- Kristine noted that there still does have to be a prepared budget for each individual county due to different staff wages and payroll system.
- Sydney noted that PY2016 Funds are expended and P.Y.2017 is starting to be spent. He also asked why Genesee received a lower allocation of Adult Funds.
- It was noted that the Federal Allocation Formula (demographic data) is utilized to distribute funds to the individual GLOW counties per the GLOW CEOs and WDB. This is how the Federal and State distributes and GLOW has always followed this. Sydney stated that the GLOW WDB holding the funds and distribute based on need would eliminate counties running out of funds. They would submit for reimbursement as their County Administrator pay up front.
- It was noted that Orleans and Wyoming Counties do not pay up front for the centers. It was also noted that it would not help with Genesee County's situation right now as he is over budget.
- Sydney hopes to see December reports justify spending for a transfer.
- Scott noted that if you are looking at cash expenditures only, it will not justify spending. Obligations are bills that have to be paid. By the time the expenditures catch up to the obligations, it will be too late. Obligations count toward the 80% spending requirement but obligations are not taken into consideration to justify a transfer. The problem is the December reports do not come out until mid-January – after the WDB meeting – and the December reports are not going to show significant accruals because of the process of when things actually get paid as expenses.
- Jay noted that GLOW WDB keeping funds are options for the future. We would like to plan ahead for solutions to avoid conflicts in the future.
- Darren noted that transfer requests have always been approved and this is a concern to him when staff is going to be laid off. He doesn't understand why obligations aren't taken into account. This needs to be resolved today.
- Sydney said obligations are a promise to pay and not guaranteed and transfers are based on accrual at that time.
- Kristine spoke about accruals. ITA's must be approved by our E&T offices and accepted by the school to be obligated. They are accrued when the client has actually started the program and the dropout date has passed. The expense can lag because of delay getting invoices from schools or in WCCA's case, even though they have actually paid the invoice it is not paid with WIOA funding until she reimburses the voucher. This delay happens to be even longer, because WCCA submits a voucher at the end of each month: then depending on the voucher submittal time line in Livingston this can push the payment out 4-6 weeks. Example the last check sent to WCCA was 12/27/17, for October and November vouchers that were received prior to 12/11/17. For WCCA their overall accruals may seem high due to the fact that we are approximately two months behind in showing them as expenses to the State.
- Jay proposes that we reduce the request of transfer to \$80,000 from \$120,000. Sydney doesn't see an issue with lowering but cannot guarantee what the final decision will be.
- Sydney asked where the funds would go and stated that Genesee and Livingston are actually utilizing P.Y.2017 Funds.
- The \$80,000 transfer of Adult Funds would be \$40,000 to Genesee and \$40,000 to Livingston.
- Jay is asking the Finance Committee to consider recommending an \$80,000 Transfer DLW to Adult Funds Transfer.
- Sydney stated that as long as the Finance Committee discusses the analysis to recommend submitting a transfer and the WDB is made aware of the amount of transfer, a vote is not needed due to the approved "P.Y.2017 blanket transfer."
- **ACTION ITEM**➤ Ryan will send the transfer to Sydney and Sydney will let us know if okay to send to Albany.
- **VOTE**➤ Tim made the motion to submit an \$80,000 transfer from DLW to Adult funds request. An amended GLOW Budget Summary of explanation for the amended budget, which includes a rescission, final carryover amounts, and a transfer of \$20,000 from Orleans County JDA budget amendment from staff wages and fringe to Training will be done and go to the WDB on 1/16/18.
- Jay thanked everyone for their input and thought it was very good discussion.

The meeting adjourned at 4:45 pm