

# GLOW WDB FINANCE COMMITTEE

## Meeting Minutes

GC Career Center, Batavia

9/12/17, 3:30 – 4:30 p.m.

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

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

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

### **P.Y.2016 GLOW Budget Modification Requests**

- A summary of the Budget Modifications Requests were sent to members prior to the meeting.
- Grant Recipient requesting transferring \$4,040.49 OF Admin Funds from Operational Expenses to Wage and Fringe.
- Livingston County requesting transferring \$1,897.05 of Youth OS funds from Wage and Fringe with \$17.49 to Operational Expenses and \$1,879.56 to Participant Expenses.
- Livingston County requesting transferring \$10,248.62 DLW Funds of Operational Expenses with \$6.66 to Participant Expenses and \$10,241.96 to Wage and Fringe.
- Livingston County requesting transferring \$516.95 of Admin Funds from Wage and Fringe to Operational Expenses.
- Genesee County requesting transferring \$470 DLW Operational Expenses to DLW Wage & Fringe due to final WIOA Cost Allocation split for actual year end expenses.
- Genesee County requesting transferring \$995 OS Youth Wage & Fringe to IS Youth Wage and Fringe due final cost allocation split for actual year end IS youth expenses.
- **VOTE>** Darren made the motion to approve the P.Y.2016 Budget Modification Requests as presented; Tim seconded the motion, and the motion was carried. This will be brought to the GLOW WDB meeting for a vote on 9/19/17.

### **P.Y.2017 Blanket Transfer from Adult to DLW Recommendation**

The recommendation was sent to members prior to the meeting. **Background>** Under the Workforce Innovation Opportunity Act (WIOA), Section 133(b)(14), a Local Board may now transfer up to 100% of funds between the Adult and DLW Funding Streams. **Recommendation>** This transfer authority is applicable to P.Y.2017 Adult and DLW Funds only. The request is for the WDB to approve a blanket transfer of up to 100% between Adult and Dislocated Worker (DLW) programs as allowed by Law. This will provide more flexibility to serve both the Adult and Dislocated worker populations. No eligible participant will be denied services including training services, due to lack of funds, because of this transfer. NYS DOL Field and FOTA staff will review that funds are being spent as required prior to approving any requests. This “blanket transfer” of 100% between Adult and DLW programs will allow GLOW to be able to make requests to the State up to the 100% as needed.

**VOTE>** Tim made the motion to approve P.Y.2017 Blanket Transfer between Adult and DLW as needed. Darren seconded the motion; and the motion was carried. This will be brought to the GLOW WDB meeting for a vote on 9/19/17.

### **Amended P.Y.2017 GLOW Budgets**

- The amended Budgets were sent to members in advance of the meeting.
- These budgets reflect amended carryover funds.
- This shows P.Y.2016 GLOW Carryover amount is \$444,448.33. This is Cash Expenditures only and does not include additional accruals, which includes expenses such as staff retirement/insurance, and any outstanding bills.

- There is also a carryover amount of \$130,000 not included in the WDB budget.
- Additional amendments will be forthcoming as carryover funds are expended and the final NOA for P.Y.2017 allocation of Adult and DLW funds.

**VOTE**> Darren made the motion to approve the amended P.Y.2017 GLOW Budgets as presented; Tim seconded the motion; and the motion was carried. This recommendation will go to the GLOW WDB Meeting on 9/17/17.

### **GLOW WDB Staff Lease Recommendation**

Jay provided a summary on options for WDB staff to relocate. There are plenty of spaces to lease but after researching other potential locations, the cost of sites would be up to \$13 a square foot “as is” and a security deposit, along with additional costs of construction, office furniture, IT requirements, and phones. The Lease with Genesee County would avoid all of these expenses, as well as includes many in-kind services at no cost and allows for additional space should we need to expand staff after we complete the incorporation process, and subsequent 501c3.

The lease proposal at the Genesee County Career Center is for 3 years beginning on February 1, 2018 at \$8 a square foot and will increase to \$9 a square foot on February 1, 2019 and remain until the end of the agreement. **VOTE**> Darren made the motion to approve the recommendation for GLOW WDB Staff to continue with their Lease at GC Career Center as presented; Tim seconded the motion, and the motion was carried. This recommendation will go to the GLOW WDB Meeting on 9/17/17.

### **Ryan reported on Grant Recipient’s response to their Findings for the Sub-Recipient Monitor Review for the period 7/1/15-12/31/16:**

- 1) Copies of the monitoring reports were not always issued NYS DOL Program and FOTA staff. *Ryan’s Response:* He will continue to sending reports to all required parties but noted that sometimes emails from Livingston County’s Email system is sometimes encrypted and are unable to be read unless receiver sets up a password.
- 2) Two Subrecipients had findings in their single audits and he must follow up on the resolution to their findings. Orleans County DSS and SUNY Research Foundation. *Ryan Response:* He did inquire about the status of their findings and received no response.
- 3) A reason was not provided for why work papers excluded exhibits that were inapplicable. *Ryan’s Response:* In the future a reason will be provided.
- 4) WCCA unacceptable cost application plan or approved indirect cost rate is still unresolved and an indirect cost expenditure of \$977.84 needs to be removed. *Ryan’s Response:* He will send a finding to WCCA to remove these expenses.

### **GLOW WDB Expenditure Summary**

Sydney prepared a summary on GLOW LWDA PY12-PY15 Consolidated Carryover of Cash Expenditures Reported on 6/30, which was distributed. He stated the trend is that the Carryover has been increasing every year. Currently the WDB pre-allocates 100% of the Funds to the counties and the 80% spending requirement falls to them. Sydney noted that an alternative could be that WDB not give 100% of allocation and allot a portion of the funds either quarterly or based on training needs. This would help to decrease carryover from year to year to avoid a snowball effect. The WDB could also decide to do specific type of trainings. As of 6/30/17 there is \$578,867.47 in Carryover Cash Expenditures.

Jay noted that the GLOW expenditures report that both FOTA and the GR prepared shows that we have hit or exceeded the required 80% mark in each of the past 5 program years with the exception of PY14 when we hit 79.79%. Federal WIOA requires an expenditure rate of 70% after accruals and Obligations are factored in. New York exceeds this number and requires an 80% expenditure rate after accruals and obligations.

It is a concern that if we hold back money and then give it to those that are spending it quickly, we would create a spending frenzy and Service Providers working separately rather than together as one GLOW workforce area. The Service Providers have shown a spirit of cooperation that exists in GLOW to ensure that all persons that are in need and eligible for WIOA training receive the opportunity. For years now if one area needed additional

training funds, another provider would make certain that those funds were received. Developing new training programs and supporting existing programs necessitate the need for long-range planning. Without the assurance of the availability of funds, program operators will be hesitant to plan programs, making it even more difficult to spend the funds.

In the past few years we have seen our allocations cut by 10% and we are facing further cuts. I believe this is the time for the service providers to work together with the board to ensure that we continue the process that has been so successful in meeting the New York State requirement of 80%.

He appreciates FOTA providing us information and because of the concerns that they have, we are updating our GLOW WDB Recapture Policy to put further measures into effect so GLOW services providers expend 100% of the WIOA carry-in and 80% of the current program year funds. The WDB does need to do a better job at reviewing the spending levels. The WDB will review expenditures monthly with the Service Providers and report to Finance and WDB. It was also suggested to report on customers served. The policy needs some more review and will be brought to the Finance and WDB by October.

I believe that our service providers have done an outstanding job hitting the New York State requirements on Expenditures of 80% each and every year. In spite of funding cuts that have occurred and very likely to occur in future year these providers have kept the locations open for all GLOW customers to receive the assistance that they need and to meet the needs of our business customers and recommend at this time that we do not hold back carry-in funds and to revise our recapture plan. Norb concurred with putting policy in place with safeguards and noted that this way has been working for years. Norb asked Sydney if this is a requirement or recommendation from FOTA. Sydney stated that it is a suggestion.

Darren also noted that the WDB needs time to address issues and not have this sense of urgency. The issue of the Recapture of P.Y.2015 \$47,000 DLW Funds was not known in April.

#### **GLOW WDB Incorporation Update**

The GLOW WDB By-Laws for Corporation were sent to CEOs for review and no comments have been made. They were sent to FOTA for review and no response yet. The GLOW WDB will need to approve the By-Laws. We want to keep this process moving. The next step will be to acquire an attorney.

The meeting adjourned at 4:50 pm