

FINANCE COMMITTEE
March 14, 2007
 MINUTES

The Finance Committee Meeting was held on March 14, 2007 at 4:00 p.m. at the Rock County Job Center in Janesville.

Attendance was as follows:

Members Present:	Mr. James Finley, Chairperson	Ms. Shari Schaff
	Ms. Tammie Engelke	Mr. Tom Schraeder
Members Present:	Mr. Randy Jacquet	Mr. Scott Stocker
Staff Present:	Dr. Robert Borremans	Ms. Mary Kay Runde
	Ms. Annette Meudt	Mr. Mike Schultz

Mr. Finley opened the meeting at 4:00 p.m. with a roll call.

1. Review Financial Statement for February 2007

Ms. Meudt addressed the committee with a review of the financial statements. She directed the committee to the detail report, calling attention to the low spending in the training and support areas. This is partly due to the DWD imposed 35% rule that limited training and support to instructional program that paid a high wage. Another reason is that there are waiting lists for some programs at the technical schools; an example is the Associate Degree Nursing (ADN) Program. Clients are not able to begin with the desired training right away.

It is estimated that there will be approximately \$100,000 in carry-over monies for Training and Support. It is anticipated that the carryover by program type is: \$10,000 for Older Youth, \$40,000 for Adult, and \$50,000 for Dislocated Worker. Program Operators appear to be on track with their staff spending.

It is anticipated that four funding sources (grants) will end June 30, 2007. They are the Future Fields Grant, the Disability Navigator Grant, the ATK National Emergency Grant (NEG), and the Virtual Job Center (VJC) Grant. In addition, the OIC Workforce Academy Grant is expected to end on October 31, 2007.

As a result of funding cuts, four SWWDB Future Fields employees will be laid off as of June 30th. These folks have been advised that their employment will end. The Disability Navigator is being reassigned to handle responsibilities under the WISE program and new duties providing services to DVR. The VJC project does not employ staff. The ATK grant is subcontracted to the AFL/CIO and employed staff will be laid off.

Dr. Borremans updated the committee on recent meetings with Congressional representatives to identify new funding options for the Future Fields program. No funding opportunities have been identified. Ms. Meudt explained that the best opportunity for the Future Fields program is to reorganize the program to focus on rural economic development and apply for an Earmark Grant; however, these funds would not be available until Fiscal Year 2008.

SWWDB has been notified that the State intends to expand the WISE program in southwest

Wisconsin which will mean new funding for next year. Ms. Meudt and Dr. Borremans explained the GROW 2 Project. Another round of GROW projects are expected next year.

Ms. Meudt explained leased employee contracts with the counties. Ms. Engelke asked if lease employees receive SWWDB benefits. Ms. Meudt explained that leased employees follow SWWDB personnel policies and do receive SWWDB fringe benefits. Dr. Borremans added that under certain circumstances, at the request of a county, SWWDB has modified leased employee contract and waived some benefits and/or policies consistent to county employment practices or benefits.

Lastly, Ms. Meudt referenced the two-page Financial Statement Summary that will be presented to the Board. The Program Operator spending is on target and is within the ten percent variance allowed by federal and DWD regulations. No carry-overs are anticipated, except in the area of training and support.

Motion by Mr. Schraeder, second by Ms. Engelke to accept the Financial Statements as presented showing expenditures and revenues through 2/28/07. **Motion carried unanimously.**

2. Approve additional Contracts

Ms. Meudt explained that SWWDB has received three additional contract/grants. They are the GROW 2 contract with South Central WDB for \$20,000, the WIA Performance Incentive contract with the South Central WDB for \$8,200, and a new leased employee contract with Green County for \$54,865. Acceptance of these contract is needed to modify the current year's budget.

Motion by Ms. Engelke, second by Ms. Schaff to recommend acceptance of these three contracts by the full Board. **Motion carried unanimously.**

3. Review SWWDB Policies

Ms. Meudt shared that the Misconduct and Dishonesty Policy – B-512 and Records Retention Policy – C-301 have been reviewed by SWWDB administration and the audit firm Wegner LLP. During the last audit, Wegner recommended that the policies be reviewed to ensure SWWDB is in compliance with obligatory regulations including the Sarbanes-Oxley Act. Ms. Engelke raised the question whether paragraph four of the Records Maintenance, Retention and Disposal Policy, C-301, should include “date of birth” (age) as another item not to disclose.

Dr. Borremans suggested that staff re-examine what items should not be disclosed and rewrite the policy as needed. Mr. Finley suggested that the two policies should be considered together because they both were examined for compliance with the Sarbanes-Oxley Act. He asked that both policies be brought back for consideration at the June 13th Finance Committee Meeting.

4. Discussion on the SWWDB Preliminary 2007-08 Budget

Ms. Meudt explained that staff have gotten an early start on the FY 2007-08 budget. The WIA allocation amounts are not yet available and will probably not be known until the end of April or early May. The new Congress has reversed the 2007 DOL cuts and restored WIA funding to 2006 levels. It is hoped that SWWDB will receive an allocation close to the \$1.6 million received in 2006.

The WIA allocation represents only a portion of SWWDB revenue. The other revenues sources include federal and state grants, leased employee contracts, and other service activities. Grants that will end were identified previously under Item #1 as were new funding possibilities. Unless there is an unexpected loss of funding, SWWDB is projecting the total budget to be approximately

\$3.3 million. Revenues and expenses have preliminarily balanced for FY 2007-08. Ms. Meudt expanded on possibilities for additional resources and/or continuation of several projects – notably the OIC grant and the VJC project. Ms. Meudt added that a detailed FY 2007-08 Budget will be presented to the Finance Committee at the June meeting for approval.

5. Discussion on the Rock County Computer Lab Thin Client Computers

Mr. Schultz and Dr. Borremans explained that computers are owned by various agencies involved in the Job Center. SWWDB operates a computer lab with 10 networked, Internet accessible machines. These machines were donated years ago and with age there have been a number of problems affecting the reliability of the lab.

SWWDB has considered several options to improve the reliability of the lab before deciding to replace the oldest machines with new Thin Client computers. Thin client machines are reduced capacity computers that accesses program stored on a central CITRIX server rather than internal hard drive. The benefit of thin client computers is the sharing a programs thereby lowering the number and cost of software licenses and the fact that they cost about 40% of an average desktop computer.

Mr. Schultz gave a tour of the SWWDB Rock County Computer Lab. The meeting was adjourned at the conclusion of the tour.

6. Other Business

None.

7. Adjournment

The meeting was adjourned at 4:57 p.m.