

Southwest Wisconsin Workforce Development Board, Inc. Board Meeting

September 14, 2022

Meeting Minutes

The Southwest Wisconsin Workforce Development Board met on Wednesday, September 14, 2022, via GoToMeeting. Attendance was as follows:

Members Present:	Ms. Maria Lauck, Chairperson Mr. Jason Aarud Mr. Christopher Comella Ms. Heather Fifrick Ms. Linda Hendrickson Mr. Keith Kruse Ms. Jill Liegel Mr. Troy Marx	Ms. Heather McLean Ms. Lisa Omen Mr. James Otterstein Dr. Tracy Pierner Mr. Dale Poweleit Mr. Dave Shaw Ms. Andrea Simon Mr. Dave Smith
Members Excused:	Ms. Brittini Ackley Mr. Ivan Collins Mr. Jeff Ellingson Mr. Kendal Garrison Ms. Ela Kakde	Mr. Andrew Marcotte Mr. John Meyers Mr. Tom Schmit Mr. Michael Williams
Staff Present:	Ms. Katie Gerhards Ms. Gail Graham Mr. Matt Riley	Ms. Rhonda Suda Ms. Danielle Thousand Mr. Jimmy Watson
Other Guests:	Ms. Bridgette Stoeckel, DWD	Mr. Matt Walthius, Manpower

1. Welcome; Call to Order; Roll Call

Ms. Lauck called the meeting to order at 2:34 p.m. and welcomed members, staff, and guests.

2. Approval of Minutes of SWWDB Meetings

The minutes of the June 8, 2022, SWWDB meeting were presented to Board members for review and discussion. There was no discussion.

Motion made by Mr. Otterstein, seconded by Mr. Kruse, to approve the June 8, 2022, meeting minutes.

Motion carried unanimously.

3. Financial Reports

Board members were presented with the financial reports through June 30, 2022. The financial reports include the Balance Sheet, Statement of Operations, and 2021-22 Budget Modifications.

The Balance Sheet represents a draft of the financial statements through Quarter 4 (April 1 – June 30). It shows that revenue is exceeding expenses by \$164,661.91. Ms. Thousand noted that these numbers are not final. SWWDB Finance staff are still paying invoices from prior to July 1 and preparing for the audit. Adjustments will be made. There are two (2) areas specifically that will increase: Accounts 1100-Grant Cash Receivable and 3200-Accounts Payable.

The only new account is 1101-Loan Receivable. SWWDB shares some space in the Platteville office with Forward Services Corp. (FSC) and therefore shares some costs. This account is a holding account for a portion of the supplies SWWDB invoices FSC for.

Account 1251-Prepaid Customer Support is for invoices SWWDB prepays for such as utilities or rent. The amount is for prepaid utilities.

Accounts 1503-Equipment & Furniture and 1540-PAS Rewrite Project are assets. SWWDB cannot depreciate these items/projects until the asset is placed in service. However, down-payments have been made.

Account 3080-401(K) Liability is showing as a negative. A small overpayment was made based on the situation that changed.

The Statement of Operations was presented for review and discussion. Because SWWDB is through Quarter 4 of the fiscal year, the goal in the column labeled "Pct" is to be around 100% spent. Revenues are showing 103.79% spent and expenses at 102.64%. Ms. Thousand reminded Board members that this is only a draft and the amount that revenue is exceeding expenses will change.

Account 6119-Fringes is an offset account for SWWDB's flexible spending account. It changes constantly and there is nothing to be concerned about.

Account 6261-Equipment Under \$5,000 is showing 213.09% spent. There were more small items purchased in Quarter 4 than budgeted in May. These items included laptops and phones.

Account 6581-Donations is showing 0% spent because it was not included in the budget. The \$5,000 is a part of the Workforce Advancement Initiative (WAI) towards talent development council outreach. It is for outreach activities establishing engaged and sustainable relationships with employers to determine the specific skill and occupational requirements to meet the industry needs.

Account 6708-Stipends is showing 234.74% spent. This account has been very active since January 1. The majority of the stipends are related to WAI. The first project that got off the ground for this grant was the Early Childhood Education (ECE)/childcare project. The grant pays students a weekly stipend to attend class as well as covering their tuition, fee, and book costs. It has been very well received. Also included in this account are stipend payments to a few teachers for job shadowing as a part of the Rock 5.0 Internship program. It was called an externship.

The Budget Modifications are provided to Board members at every meeting. It shows changes to the budget since the last meeting. In June, SWWDB administration set the budget for 2022-2023 and modified last year's budget. At that time, SWWDB had not received any grant agreements. Since then, the final grant agreements have been received.

The Foster Care (FC)/Independent Living (IL) grant awarded SWWDB general stimulus funding through September 30. Ms. Suda added that this grant assists youth who have aged out of foster care. This special funding included assisting youth in paying for a car. The grant also provided SWWDB with multiple grant modifications for the general stimulus funding.

The Wisconsin Senior Employment (WISE) program funding will be decreasing by approximately \$16,000. The Workforce Innovation and Opportunity Act (WIOA) funding will also be decreasing and by more than what SWWDB administration estimated.

The Department of Corrections (DOC), Rapid Response, and Youth Apprenticeship (YA) were adjustments to the actual grant agreement. The YA funding almost doubled from last year. Ms. Thousand stated SWWDB is in a positive financial position.

Motion made by Mr. Kruse, seconded by Ms. Omen, to approve the Program Year (PY) 2021-22 financial statements for Quarter 4, including the Budget Modifications, as presented. **Motion carried unanimously.**

4. Old Business

A. **Method, Time, and Location of Future Meetings**

Since Board members are located across the 6-county area, the SWWDB meetings are held in a central location. Over the past several years, the meetings have been held in New Glarus. Ms. Suda went over the results of the meeting survey. Board members and Ms. Suda discussed the meeting schedule for next year. The following schedule was set:

- December 14, 2022: Virtual meeting at 2:30 p.m.
- March 8, 2023: Virtual meeting at 2:30 p.m.
- June 14, 2023 (*Proposed*): Hybrid meeting (in-person with the option to call in) at two (2) sites: SWWDB Administrative Office, Platteville; and Rock County Job Center, Janesville.
- September 13, 2023 (*Proposed*): Hybrid meeting (in-person with the option to call in) at two (2) sites: SWWDB Administrative Office, Platteville; and Rock County Job Center, Janesville.

The Rock County Job Center has all sizes of rooms. Both sites can connect for a meeting, but Platteville has no video to see the group. Mr. Riley said depending on the size of the group, he could make it work in Janesville and Platteville.

Mr. Kruse likes the option to attend virtually in December and March due to unforeseen weather conditions. Ms. Suda added that there is a greater participation rate with the virtual and teleconference options. Mr. Aarud also likes the option to call in or attend in-person due to scheduling. Mr. Comella agreed.

Motion made by Mr. Otterstein, seconded by Mr. Kruse, to hold the December and March Board meetings virtually due to unforeseen weather. The meeting details will be finalized at the next meeting. **Motion carried unanimously.**

B. **One-Stop MOU Update**

The 2022 One-Stop Memorandum of Understanding (MOU) is being worked on by SWWDB Workforce Operations Manager, Jimmy Watson. Once it is final and approved by the Department of Workforce Development (DWD), it will have to be signed by Chief Local Elected Official John Meyers and Board Chairperson Maria Lauck.

DWD indicated that if SWWDB did not have any substantial changes it did not have to be updated. However, the Rock County Job Center moved, and the Southwest Wisconsin Technical College (SWTC) site moved to another part of the college.

Ms. Suda will inform Board members when the MOU is approved and final.

5. New Business

A. Program Year 2022 and 2023 Performance Negotiations

Every two (2) years, the Department of Labor (DOL), state workforce agencies, and local workforce boards engage in negotiations to set performance goals. The Department of Workforce Development (DWD) negotiates with each local board once negotiations have been completed with DOL. Local performance negotiation is a function of the Local Elected Officials (LEOs) and the local board.

On August 23, the Southwest Wisconsin Counties Consortium (SWCC) met and approved the numbers in the “SWWDB Proposal” column in Table 1.

Table 1

Indicator	Prior 2 Year Period	PY 2022 & 2023			
	Negotiated	State Proposed	% Change	SWWDB Proposal	% Change
Adult Q2 Unsubsidized Employment	76%	63%	-17%	63%	-17%
Adult Q4 Unsubsidized Employment	74%	70%	-5%	70%	-5%
Adult Median Earnings	\$5,000	\$6,000	20%	\$6,000	\$0
Adult Credential Attainment Rate	66%	66%	0%	66%	0%
Adult Measurable Skills Gain	42%	68%	62%	52%	24%
Dislocated Worker Q2 Unsubsidized Employment	82%	72%	-12%	72%	-12%
Dislocated Worker Q4 Unsubsidized Employment	79%	76%	-4%	76%	-4%
Dislocated Worker Median Earnings	\$7,500	\$8,100	8%	\$8,100	\$0
Dislocated Worker Credential Attainment Rate	70%	74%	6%	74%	6%
Dislocated Worker Measurable Skills Gain	55%	73%	33%	60%	9%
Youth Q2 Employment/Education	70%	67%	-4%	67%	-4%
Youth Q4 Employment/Education	68%	72%	6%	72%	6%
Youth Median Earnings	\$3,000	\$3,400	13%	\$3,400	\$0
Youth Credential Attainment Rate	62%	50%	-19%	50%	-19%
Youth Measurable Skills Gain	34%	75%	121%	54%	59%

Even though SWCC members approved the proposed numbers, because this is a combined effort between the SWCC and Board, if SWWDB’s proposal is not approved by DWD, SWWDB administration would convene DWD, the SWCC, and the SWWDB Executive Committee before September 30 to come up with the accepted final negotiation.

Motion made by Mr. Otterstein, seconded by Mr. Pierner, to approve Ms. Suda to negotiate the Program Year (PY) 2022 and 2023 performance on behalf of the SWWDB Board as needed. **Motion carried unanimously.**

B. Program Year 2022 WIOA Title 1 Funding

Workforce Development Area (WDA) 11 Workforce Innovation and Opportunity Act (WIOA) allocations are decreasing by \$177,287 (approximately 13%). This decrease is a result of the lower state award and the improving labor market in Southwest Wisconsin. SWWDB will receive between 20% and 25% in July and the remaining in October. Table 2 shows the Program Year 2022 WIOA Title 1 allocations.

Table 2

State Allocation	2018	2019	2020	2021	2022	Change	% Change
Youth	\$11,197,879	\$10,091,692	\$9,204,676	\$12,040,412	\$10,957,464	(\$1,082,948)	-8.99%
Adult	\$9,671,276	\$8,714,035	\$7,944,787	\$10,403,176	\$9,438,464	\$964,712	9.27%
Dislocated Worker	\$11,769,133	\$11,431,285	\$11,212,132	\$11,939,631	\$10,874,839	\$1,064,792	8.92%
Wagner Peyser	\$11,632,564	\$11,469,141	\$11,531,892	\$11,423,220	\$11,191,329	\$231,891	2.03%
WF Info Grant	\$615,232	\$615,121	\$608,159	\$606,266	\$608,147	(\$1,881)	-0.31%
SWWDB Shares	2018	2019	2020	2021	2022	Change	% Change
Youth	4.08%	3.79%	3.75%	5.13%	5.37%	0.24%	4.68%
Adult	3.99%	3.71%	3.67%	5.12%	5.30%	0.18%	3.52%
Dislocated Worker	4.46%	3.86%	3.74%	5.66%	4.29%	-1.37%	-24.20%
SWWDB Funding	2018	2019	2020	2021	2022	Change	% Change
Youth	\$388,124	\$325,436	\$293,022	\$453,388	\$500,589	\$47,201	10.41%
Adult	\$325,148	\$274,980	\$247,579	\$523,655	\$424,911	(\$98,744)	-18.86%
Dislocated Worker	\$315,052	\$264,420	\$251,772	\$405,826	\$280,082	(\$125,744)	-30.98%

Motion made by Mr. Kruse, seconded by Mr. Aarud, to approve the Program Year (PY) 2022 Workforce Innovation and Opportunity Act (WIOA) Title 1 allocations as presented. **Motion carried unanimously.**

C. Ad Hoc Audit Committee

SWWDB administration is seeking three (3) to four (4) Board members to serve on this year's Ad Hoc Audit Committee. Ms. Suda explained that the committee does not have to meet in-person as the audit will be conducted virtually again this year. The meeting notice will be shared with Board members not on the committee as any Board member can attend and ask questions of the auditors and/or share concerns. Ms. Lauck, Mr. Kruse, Mr. Comella, and Mr. Otterstein volunteered.

The committee will meet at the beginning and close of the audit, October 31, 2022, and November 3, 2022, respectively.

D. One-Stop Job Center Certification

SWWDB administration received verification that Workforce Development Area (WDA) 11's job centers are certified through June 30, 2025.

6. Committee Updates

A. August 30, 2022 Executive Committee Meeting

The SWWDB Executive Committee met on August 30, 2022. The meeting minutes were shared with all Board members for informational purposes.

7. Consent Agenda

The items on the consent agenda were presented to board members for review and discussion. Ms. Suda briefly went over the performance reports.

Motion made by Mr. Comella, seconded by Mr. Aarud, to approve the items in the consent agenda as presented including the Workforce Innovation and Opportunity Act (WIOA) and Foodshare Employment & Training (FSET) performance and participation reports. **Motion carried unanimously.**

8. Organizational Information & Recurring Business

A. Rapid Response Activity/Updates

Board members were provided with an overview of layoff/closure activity since July 1, 2021 (Table 3). This information is provided at every Board meeting per the Board’s request.

Table 3

Program Year 2021-22					
Company Name	Layoff Date	Affected Employees	RR Sessions or Meetings Held	Attendance	Receiving Services in DW Program
Durr Universal	8/31/2021	87	3 sessions -7/13/2021 Job Fair - 7/22/2021	84	12
HUFCOR	8/3/2021 4/15/2022	166	2 sessions at Union Hall 6/27/2021 & 7/14/2021 Job fair 7/15/2021 4/19/2022 RR Session	150	29
Chrysler	7/23/2021	1,641	Outside WDA	NA	12
TMD	1/23/2022	27	No response to outreach	-	-
Exclusive Company	3/22/2022	7	Rapid Response materials were dropped off	-	-
Bloomfield Healthcare and Rehabilitation Center	April 2022	66	2 sessions on 2/7/2022 and 1 session on 2/28/2022	40	0
Swiss Colony Data Center	7/1/2022	48	3/17/2022	40	0
Chrysler	Staggered	120 in Rock and Green	Outside WDA; materials dropped off	NA	4
Aramark	June 2022	63	Most employees were hired by new contractor.		
Saputo Cheese closing, Belmont, WI	Estimated 4 th quarter 2022	200 Lafayette	Contact made; no WARN filing yet.		

All of the layoff/closure activity happened last program year except for Saputo Cheese. All companies have filed a WARN notice except Saputo Cheese. The Worker Adjustment and Retraining Notification (WARN) Act helps ensure advance notice in cases of qualified plant closings and mass layoffs. Saputo Cheese in Belmont is closing and SWWDB administration is unaware of the company filing a WARN notice. Saputo Cheese makes goat cheese and the company decided to close its Belmont facility and move the equipment to the Reedsburg facility who needed an equipment update. If no WARN notice is filed, there could be fines and penalties for Saputo.

SWWDB Business Services Manager, Gail Graham, has reached out to Saputo’s HR department via email. When/if Saputo asks for help, SWWDB will work with the affected employees in a Rapid Response session. Workforce Innovation and Opportunity Act (WIOA) staff will also make connections with the employees and provide them with opportunities, if needed. SWWDB is the door between the impacted workers and opportunities in the workforce and employers in the region. Emmi Roth has reached out to Ms. Graham about interest in those employees being laid off. Layoffs are expected to start in October.

9. Local Retention

Local retention is defined as participants working within the local area post-program exit. Since July 1, 2021, 147 participants have exited Workforce Innovation and Opportunity Act (WIOA) programs.

Of the 147 exited customers, 78% (115) are employed or going to school post-program exit. Of those, 105 (91%) are going to school or working in Wisconsin. Of those, 78% (82) are employed in WDA 11.

10. CEO's Report

Ms. Suda provided Board members with an update on the ransomware attack. SWWDB is fully operational again. The last piece to be restored was Sharepoint.

On June 28, SWWDB's network was attacked, and ransomware was installed. According to SWWDB's IT consultants, Insight BTR, all data was deleted. Because of Insight BTR, SWWDB conducts daily backups that are very well secured. Through a long and careful process, all of SWWDB's information was fully restored from the backups. All data was cleaned thoroughly.

The Wisconsin Department of Justice has asked to review one of SWWDB's servers to try and determine the source of the attack. Ms. Suda reassured Board members that SWWDB does have current cyber security insurance.

11. Chairperson's Report

Ms. Lauck said 2021-22 was an extremely challenging year with the continuation of the pandemic and increased economic factors impacting people financially across the country. Internally, SWWDB faced issues with 401(k) legal challenges and the ransomware attack which caused a loss of systems that had a cascading impact to SWWDB's partner organizations. Ms. Suda's team has managed these issues well and has continued to stay focused on serving clients in need and continuing operations while maintaining a group of well-trained staff and keeping them safe and productive.

Ms. Thousand and Ms. Suda were thanked for sharing not just some of the overall success, but the names of individuals at SWWDB and their specific contributions.

Ms. Lauck looks forward to next year where more individuals can be helped and that there may be continued opportunities to work with new partners to expand into the opportunities presented by new grants.

12. Adjournment

Motion made by Mr. Kruse, seconded by Mr. Aarud, to adjourn the meeting at 4:03 p.m. **Motion carried unanimously.** The next regularly scheduled board meeting will be Wednesday, December 14, 2022.