

Southwest Wisconsin Workforce Development Board, Inc. Board Meeting

June 14, 2023
Meeting Minutes

The Southwest Wisconsin Workforce Development Board met on Wednesday, June 14, 2023, at the Edelweiss Chalet Country Club, New Glarus, WI and via teleconference. Attendance was as follows:

Members Present: Ms. Maria Lauck, Chairperson
Ms. Heather Fifrick
Mr. Kendal Garrison
Ms. Linda Hendrickson
Mr. Keith Kruse*
Ms. Jill Liegel
Mr. Troy Marx
Mr. John Meyers
Ms. Lisa Omen*
Mr. James Otterstein
Dr. Tracy Pierner
Mr. Dale Poweleit*
Ms. Amy Santas
Ms. Andrea Simon

Members Excused: Mr. Jason Aarud
Ms. Brittini Ackley
Mr. Ivan Collins
Mr. Aaron Jach
Ms. Ela Kakde
Mr. Andrew Marcotte
Ms. Heather McLean
Mr. Tom Schmit
Mr. Dave Shaw
Mr. Dave Smith
Mr. Brian Toutant
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:

*Attended via conference call.

1. Welcome; Call to Order; Introduction of New Board Members and Guests

Ms. Lauck called the meeting to order at 3:00 p.m. and welcomed members and staff. Ms. Gerhards conducted roll call.

2. Approval of Minutes of SWWDB Meeting

The minutes of the March 8, 2023, SWWDB meeting were presented for review and discussion. There was no discussion.

Motion made by Mr. Poweleit, seconded by Mr. Kruse, to approve the minutes of the March 8, 2023, meeting. **Motion carried unanimously.**

3. Financial Reports

Board members were presented with the financial reports through March 31, 2023. The financial reports include the Balance Sheet, Statement of Operations, and 2022-23 Budget Modifications.

The Balance Sheet represents a draft of the financial statement through Quarter 3 (January 1 – March 31). It shows revenue exceeding expenses by \$168,055.69. Ms. Thousand pointed out that account 1000-Cash was just over \$1 million at the time the Balance Sheet was prepared. It changes constantly and reassured

Board members that SWWDB is protected. SWWDB has multiple banks and a pledge agreement with each.

Ms. Thousand went over some of the accounts on the Balance Sheet. Account 1245-Dental Insurance Prepaid shows a negative balance because a former employee accepted COBRA coverage and prepaid for the coverage. Now SWWDB owes that employee coverage.

Accounts 1539-Software Project and 1540-PAS Rewrite Project are ongoing projects.

Account 3003-Accrued Vacation will drop dramatically during the next quarter. SWWDB's policy is "use or lose". This means that if employees do not use their vacation by the end of the program year (June 30), they lose it. However, employees can carry-over unused vacation into the next program year with the approval of Ms. Suda.

Ms. Lauck asked if SWWDB has the opportunity to utilize interest-bearing bank accounts given some of the cash balances. Ms. Thousand said yes.

The Statement of Operations compares budget to actual. Because SWWDB is through Quarter 3 of the fiscal year, the goal in the column labeled "Pct" is to be around 75% spent. Revenues show 93.62% spent and expense at 84.62%. The budget modifications from the March meeting are included. Ms. Thousand went over some of the accounts that appear to deviate from the 75% goal.

Account 6119-Fringes shows -235.69% spent. This is the offset account for SWWDB's flexible spending benefit.

Account 6155-Meals shows 313.72% spent. SWWDB provided food for Youth Apprenticeship mentor trainings and for a Workforce Advancement Initiative (WAI) graduation event.

Accounts 6272-IT Equipment-Network and 6273-IT Equipment-Other both show 0% spent. IT equipment is mostly purchased in Quarter 4.

Account 6342-Subscriptions shows 118.77% spent. A subscription for virtual reality training with virtual reality googles was purchased. Its purpose is for youth to explore careers and give a hands-on feeling in an occupation of interest.

Account 6353-Network Connectivity shows 108.54% spent. This is a result of user turnover with the program operator as each user is assessed a fee.

Account 6410-Legal shows 166.67% spent. Last year, SWWDB fell victim to a ransomware attack. SWWDB has cyber liability coverage and it took a large team to deal with the ransomware attack.

Account 6420-Audit shows 100% spent. The audit is conducted early in the fiscal year. Last year's audit for the program year ending June 30, 2022, was completed in October.

Account 6431-Consultants shows 0% spent. The Department of Health Services (DHS) gave SWWDB funding to produce a video for the FoodShare Employment and Training (FSET) program. The purpose of the video was to show the benefits of the program.

Ms. Thousand stated that most of the accounts 6701-Participant Support through account 6740-Customized Training show over 75% spent. These are funds going directly to participants in the form of stipend payments, training assistance, and supportive services.

The Budget Modifications are provided to Board members at every meeting. It shows changes to the budget since the March meeting. The Foster Care/Independent Living (FC/IL) grant received additional funding from a reallocation of the prior year.

Under the Workforce Innovation and Opportunity Act (WIOA), funds can be transferred between programs depending on where the need is. Currently, the Employee Recovery Dislocated Worker Grant (ERDWG) is being used to assist dislocated workers. The Adult program is where the need is. The Department of Workforce Development (DWD) approved the transfer of funds from the Dislocated Worker program to the Adult program.

In mid-May, SWWDB was provided more funds in Youth Apprenticeship that must be spent by June 30. SWWDB administration is discussing how to spend all the funds. Ms. Thousand added that SWWDB was awarded the contract for next year.

Motion made by Dr. Pierner, seconded by Mr. Otterstein, to approve the Program Year (PY) 2022-23 financial statements for Quarter 3, including the Budget Modifications, as presented. **Motion carried unanimously.**

4. Old Business

A. **Program Year (PY) 2020-21 Monitoring**

The Department of Workforce Development (DWD) officially closed out the Program Year (PY) 2020--21 monitoring on March 7, 2023. DWD had identified seven (7) areas of concern, 16 findings, and about \$7,400 in questioned costs. Ms. Suda explained that all items have been resolved and there are no disallowed costs.

5. New Business

A. **Program Year (PY) 2023-24 WIOA Allocations**

The Department of Labor (DOL) released estimated state awards. Wisconsin's allocation will decrease 8.4%. Based on initial estimations, SWWDB's area could decrease by \$190,771. This is approximately a 38% decrease from last program year.

The Department of Workforce Development (DWD) must go through a formula process in order to determine a local area's Workforce Innovation and Opportunity Act (WIOA) allocation. Local boards have two (2) years to use WIOA funds. SWWDB reserves prior year funds to offset these decreases. Therefore, unused program year 2022-23 funds can be carried over. Ms. Suda noted that next year may be more impactful if the decreasing pattern continues.

B. **Program Year (PY) 2023-24 Budget**

SWWDB has not received official Program Year (PY) 2023-24 funding information from many state agencies for several of the programs SWWDB operates. SWWDB administration is expecting a decrease.

Board members were presented with the budget for Program Year (PY) 2023-24. The document consists of three (3) major pieces: the Budget Summary, the PY 2023 Budget Expenses, and the

PY 2023 Revenues. This budget will amend and modify the current year budget and set the initial budget for next year starting July 1.

Ms. Thousand went over the Budget Summary and explained what each column represents. Column 1-Approved Budget is the budget that was approved at the June 2022 meeting. Column 2-P/Y (Prior Year) Reserve Avail for Use is revenue from a year or two ago and is at SWWDB's disposal. SWWDB does not want to use all the funds in one year as the Department of Workforce Development (DWD) only releases Quarter 1 funds upfront, so carry-over funding is helpful for the fall semester. Column 3-Budget Changes includes modifications that are presented at every meeting. Column 4-Budget/Reserve combines columns 1 through 3. Column 5-YTD (Year to Date) as of 3/31/23 ties to the financial statements presented earlier in the meeting. Column 6-Projected as of 6/30/23 Modified Budget is used to project where SWWDB will be at the end of the year. Column 7-Planned Reserve includes carry-over from multiple year grants. Ms. Thousand noted that column 7 is for reference only.

Column 8-Proposed Budget includes strictly new grants SWWDB will receive beginning July 1. This amount matches the detailed revenue sheet. Ms. Thousand stated that SWWDB administration tries to be conservative when budgeting. Column 9-Projected vs. Proposed is the difference between the "Proposed Budget" column and the "Projected as of 6/30/22 Modified Budget" column. Column 10-Percent Change is the difference as a percent.

Ms. Thousand added that an anticipated increase in health insurance was budgeted for as well as additional staff members and the cost of the virtual reality software.

Mr. Otterstein asked about account 6311-Facilities-Storage Rental. Ms. Thousand explained that SWWDB's servers are stored in Middleton and is a monthly expense. This is the bulk of the expense. Mr. Otterstein also asked about accounts 6261-Equipment and 6351-Phone as it is noted that phones fall under account 6261. Ms. Thousand stated that account 6261 is for the physical device whereas account 6351 is for cell phone service. Ms. Lauck asked if it is for staff or participants. Ms. Thousand said staff only.

Ms. Lauck asked if SWWDB buys computers for participants. Ms. Thousand responded yes. Those purchases fall under support of training (account 6736).

Motion made by Mr. Kruse, seconded by Ms. Simon, to approve the Program Year (PY) 2023-24 budget as presented. **Motion carried unanimously.**

C. One-Stop Operator Modification

Ms. Suda explained that SWWDB's program operator is ManpowerGroup Public Sector, Inc.. Manpower has a contract that covers the Workforce Innovation and Opportunity Act (WIOA) and one that covers One-Stop Operator (OSO) functions. As the OSO, Manpower coordinates job center services in the local area. SWWDB still holds a lot of responsibility even though it does not serve as the OSO.

Ms. Suda is requesting full Board approval to modify Manpower's OSO contract section by no more than \$25,000.

Motion made by Ms. Simon, seconded by Mr. Otterstein, to award ManpowerGroup Public Sector no more than \$25,000 to continue One-Stop Operator (OSO) services in the Southwest Wisconsin Workforce Development Area. **Motion carried unanimously.**

D. WIOA Title 1 Service Provider Contract

Based on SWWDB administration’s best estimate since official grant agreements have not been received yet, it is being proposed to extend ManpowerGroup Public Sector, Inc.’ contract to deliver Workforce Innovation and Opportunity Act (WIOA) Adult, National Dislocated Worker Emergency Grants, and Youth services through June 30, 2024. Ms. Suda noted that the extension will not be issued until SWWDB administration has the actual grant agreements. Approval is requested to extend/modify the contract based overall performance and by no more than the amounts indicated below in Table 1.

Table 1

| Program | Approval Request | Planned Service Goals |
|----------------------------------|-------------------------|------------------------------|
| Adult | \$150,000 | 150 |
| D Worker / ERDWG (Co-enrollment) | \$120,000 | 120 |
| Youth | 192,000 | 110 |
| Youth WEX | \$48,000 | 10 |
| Support to Communities | \$40,000 | 120* |
| Grand Total | \$550,000 | |

It is estimated to be around \$1,000 per participant. This has been the same estimate for the last few years. To be consistent, it will be kept the same. However, the estimate for youth is different at about \$2,000 per participant.

The Support to Communities (STC) grant is a national emergency grant provided by Manpower. Participants will be co-enrolled where possible.

Motion made by Mr. Kruse, seconded by Mr. Poweleit, to approve modifying ManpowerGroup Public Sector’ Workforce Innovation and Opportunity Act (WIOA) Title 1 Service Provider contract by no more than the amounts indicated above. **Motion carried unanimously.**

E. WIOA Marketing

In May, Ms. Suda and Ms. Lauck discussed targeted marketing for the Workforce Innovation and Opportunity Act (WIOA) as a result of having \$100,000 in Program Year (PY) 2021-22 program funding that must be used by June 30. Ms. Suda stressed that the marketing must be targeted which means the focus is on a specific program.

On May 15, SWWDB administration issued a Request for Quotes (RFQ) to develop targeted marketing and other media outreach materials for the WIOA Dislocated Worker program. No responses were received so the RFQ was re-issued on May 24. Two (2) quotes were received: Big Radio (local) and Vendi (La Crosse). Vendi’s proposal came in between \$90,000 to \$110,000 and Big Radio’s at \$26,570.

As these funds must be used by June 30, it requires a very aggressive procurement schedule. The due date for proposals was June 7 with development to begin on June 12. Board Chairperson Lauck approved this procurement, as allowed by SWWDB’s Procurement Policy, Section A.11: *Procurement transactions over \$25,000 require the approval of the SWWDB Board whenever feasible. When prior*

approval of the full Board is not possible, the SWWDB Chair may approve the purchase subject to confirmation by the full Board at its next regularly scheduled meeting.

SWWDB administration is seeking full Board confirmation of the procurement action taken.

Mr. Marx acknowledged that this is going to happen really quick and asked if both vendors can perform to meet the requirements of the funding by the end of month. Ms. Suda responded yes. Both vendors have indicated that they can provide what is needed by June 30. They have two (2) weeks to develop a six (6) month marketing plan.

Mr. Meyers shared his dislike of the quick timeline and asked if it is efficient and effective. Ms. Thousand said SWWDB administration reached out to local radio stations, and they did not submit a proposal. SWWDB administration also reached out to minority and women-owned business and received no response. This is a small purchase and only two (2) quotes are required.

Dr. Pierner asked if there was criteria used to evaluate the proposals. Ms. Thousand said yes.

Ms. Lauck asked if SWWDB has a working relationship with either vendor. SWWDB worked with Big Radio a few years ago on job fair activities.

Mr. Meyers voiced his favor on working with a local vendor. Dr. Pierner envisions working with Big Radio and starting the work included in their proposal and working up to the costly work of that in Vendi's proposal.

Mr. Otterstein does not favor giving funds to a vendor outside SWWDB's local area. Timing is very important in this project. Dr. Pierner agreed.

Motion made by Mr. Meyers, seconded by Ms. Omen, to invest the funding in this project and confirm a purchase not to exceed \$100,000. **Motion carried unanimously.**

F. QUEST Grant

The Department of Workforce Development (DWD) received a \$15 million award from the Department of Labor (DOL) to serve 500 individuals seeking employment and training in childcare occupations. SWWDB has received \$302,653 under this project to serve 19 individuals through September 30, 2024. This grant will provide employment and training services and disaster-relief employment opportunities to grant-eligible individuals.

Ms. Suda said that the grant will off-set the cost of such items as tuition, books, and fees and provide some secondary education assistance. This grant can also help those participants currently in the Workforce Advancement Initiative (WAI) Childcare Project.

G. SharePoint Migration

Ms. Suda explained that SWWDB's version of SharePoint is no longer supported by Microsoft which makes it vulnerable. SWWDB has lost some accessibility after the ransomware attack. Approximately 30,000 files must be migrated to the new version one at a time.

SWWDB administration posted a part-time, limited term position to do the migration. An individual was hired to complete the work in coordination with current staff.

Board members asked about the status of the website update. Ms. Suda stated that a flow chart on how it is going and why it cannot be done as quickly as hoped could be shared at the next meeting.

6. Committee Updates

None.

7. Consent Agenda

The items on the consent agenda were presented to Board members for review and discussion. Ms. Suda briefly went over the two (2) revised policies and performance reports.

Motion made by Mr. Kruse, seconded by Ms. Omen, to approve the items in the consent agenda as presented including revisions to B-110 Equal Opportunity and Affirmative Action Policy and B-520 Unlawful Workplace Harassment Policy, and 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, 2022 (Table 2). This information is provided at every Board meeting per the Board’s request.

Table 2

| Program Year 2022-23 | | | | | |
|------------------------------------|--|--------------------|--|------------|----------------------------------|
| Company Name | Layoff Date | Affected Employees | RR Sessions or Meetings Held | Attendance | Receiving Services in DW Program |
| Swiss Colony Data Center | 7/1/2022 | 48 | 3/17/2022 | 40 | 0 |
| Saputo Cheese closing, Belmont, WI | Estimated 4 th quarter 2022 | 200 Lafayette Co. | Contact made; no WARN filing yet. Most recent news indicates layoffs may begin after 4/1/2023. | | |
| 50/50 Store | Est. 11/2022 | 7 estimated | All employees found other employment | | |
| Tru Aseptics, LLC | 9/2022 / 10/2022 | 74 | No response from company. | | |
| Georgia Pacific (Dubuque) | 12/31/2022 | 85 | Plant closure may impact workers from Wisconsin. In contact with plant human resources. | | |
| Pierce Home Furnishings | 11/2022 | 5 estimated | Owner retirement. | | |
| Exact Sciences | 11/2022 - staggered | 250 | Working with WDA 10. | | |
| Energizer | 2024 | 300 | No warn notice filed yet. | | |
| Toledo Molding | 2/17/2023 | 52 | Workforce reduction; outreach to employer | | |
| Honeywell | 7/31/2023 | 12 | We are in the process of scheduling the event | | |

B. Local Retention – Workforce Innovation and Opportunity Act

Local retention is defined as participants working within the local area post-program exit. Since July 1, 2022, 64 participants have exited Workforce Innovation and Opportunity Act (WIOA) programs. As of March 31, 2023, placement information indicates that of the 64 WIOA participants

that exited in the program year, 45 (70%) are employed or going to school post-program exit. Of those, 43 (96%) are going to school or working in Wisconsin Workforce Development Area (WDA) 11 employs 32 of these individuals, which represents 74% of those employed in Wisconsin.

9. CEO's Report

SWWDB is partnering with four (4) other workforce development boards to provide services under the Pathways Home 4 grant. The North Central Workforce Development Board took the lead on the application. SWWDB administration expects to receive a response soon on its award.

Board member Brittney Ackley has accepted a position for a company outside of the Southwest Wisconsin workforce development area. Therefore, she must resign from the SWWDB Board of Directors.

SWWDB was awarded the Youth Apprenticeship grant for the 2023-24 school year.

SWWDB's Employment and Training Specialist for Windows to Work and FoodShare Employment and Training (FSET) Youth Taylor Gray has resigned. Ms. Gray worked in the Prairie du Chien and Boscobel prisons. The Department of Corrections offered Ms. Gray the Senior Social Worker position in Boscobel.

If any Board member wants to try the Virtual Reality goggles, please let Ms. Suda know. They can be brought to the next meeting.

10. Chairperson's Report

Ms. Lauck reminded those Board members present in-person to complete the 2023-24 Conflict of Interest Disclosure Statement Forms in front of them for Ms. Gerhards. Those members not present and attending virtually will receive an email from Ms. Gerhards containing the form.

The next meeting in September will be held face-to-face at another location.

Members present in-person that ordered an end of the year thank you gift can pick theirs up at the back table. They are jackets with SWWDB's logo provided by Markus Marketing in Potosi, WI.

Board members' input and feedback is appreciated. It is hopeful that the targeted marketing will get the word out about Workforce Innovation and Opportunity Act (WIOA) programs, but everyone's help is needed getting the word out.

11. Adjournment

Motion made by Mr. Meyers, seconded by Dr. Pierner, to adjourn the meeting at 5:18 p.m. **Motion carried unanimously.**