

**Minutes for the Northeastern Workforce
Development Board Finance Committee
September 10, 2019**

- I. Call to Order: Chairman Zach Bray called the meeting to order at 11:00 a.m. Present were Zach Bray, David Whitmer, Cindy Gossage, and Jeri Hansen. On the phone were JD Williamson, and Suzanne Tungate. Chairman Bray welcomed everyone to the meeting.
- II. Purpose of the Finance Committee: Chair Bray explained that the Finance Committee was established in 2018 because the Board considered it very important to have a clear understanding of NWDB expenditures and how they relate to the programs and activities conducted by NWDB. He referenced the draft document regarding the purpose of the committee and said this was only an outline and that he expected the committee would build on this document over time (Attachment A).
- III. Workforce Innovation and Opportunity Act (WIOA) Title 1: David referred to the Flow of Funds document in the agenda packet (Attachment B). David explained that Congress appropriates funds to the US Department of Labor who appropriates the funds to the states using a specific formula. In North Carolina the funds are allocated to the NC Department of Commerce Division of Workforce Solutions (DWS). The funds are allocated amongst 23 Workforce Development Boards utilizing the same formula. Each year NWDB has to make a “best guess” when creating its budget because we do not know what the allocation will be until later in the fiscal year. There are also other funds we can apply for and it is in our complete control whether we go out for these additional funds in addition to our allocated program funds.

Zach reported that the NWDB Consortium is the fiduciary agent and the Albemarle Commission acts as the fiscal agent and grant administrator. The role of the NWDB Board is to make sure the funds are being spent and spent efficiently. One of the biggest issues he hopes the Finance Committee can accomplish is to help the members of the NWDB Board and the Albemarle Commission Board to understand these relationships and responsibilities. J.D asked if Congress appropriates the funds, is NWDB subject to

and impacted by government closures? David replied no, our funds ultimately come from the state, so we are not impacted.

David reported that NWDB receives a Notification of Funds (NFA) twice a year; very small appropriation in July with the remaining funds coming in October or November. That means the funds are available to draw on but we have to submit expenses in order to get the drawdown. It is strictly based on a reimbursement basis. We are given two years to use the funds. This is an issue because we work on a fiscal budget (one year) but show two years' worth of funds in the budget. He said that all Workforce Development Boards carry some funds from year to year. In our case we put it in the budget as a carryover expense which has raised questions about why we aren't spending all of our funds when in fact we have spent our budgeted funds and need the second year funds to support the period when we have no funds coming in (between July and October).

Suzanne noted that she had worked for Centraline WDB for almost two years so it makes sense to her but she can see how that could cause confusion for those who have not had that experience. Zach went on to say that the board and staff work hard to find the best use of the funds but it is dependent on the people we help to take the necessary steps. For instance, NWDB has a contract for tutoring services that can provide assistance for many things but it is hardly ever used even though it is offered consistently. Staff is doing their best but ultimately it is up to the individual to follow through.

- IV. WIOA Program Year 2019 Allocation Policy Statement: Cindy explained the Allocation Policy Statement which lets NWDB know what they can expect in funding. She noted that the funds are separated by fund: Adult; Dislocated Worker; Youth, which includes In-School Youth, Out-of-School Youth, and Work Based Learning (work experience). The state of North Carolina Division of Workforce Solutions (DWS) retains 15% of each programs allocation, and 10% is identified to support the Administration of the funds, leaving 90% for the Program funds (see email attachment).

Cindy also explained that we have a grant fund for \$197,500 that will expire in March, 2021 and Business Services funds which we can apply for each year (\$75,000) to be used to pay for our Business Engagement Coordinator for the promotion of On-the-Job training activities. David said that we attempt to bring in as much as we can to support

the communities that we serve but we have trouble getting some board and commission members to understand that it is a different type of funding than what goes to the cities and counties in property taxes. These funds do not come from property taxes and the more money we are allocated, the more people we can help. Zach agreed, stating that he hopes this committee will be able to come up with a good process that will clear up the confusion.

- V. Vote for Chair: Zach explained that he did not want to take on the role of Chair of the Finance Committee because as the Chair of NWDB, he feels that it could affect the level of trust in the committee's findings so he would like someone else to chair the Finance Committee. He said as of this time there are only two people who are eligible, Janet Russ and JD Williamson, as according to the Bylaws only NWDB board members are able to chair the committees of NWDB. JD said he would take on the Chair position. Zach said at some point he would like to see another board member other than himself on the committee and will suggest that at the next meeting. He told JD as the Chair of the Finance committee, he will be asked to attend the monthly Leadership Committee meetings on the 3rd Tuesday of each month and make a small report at each NWDB Board meeting on the Finance Committee activities.
- VI. Set meeting date, time and frequency: After some discussion it was decided that the Finance committee will meet monthly on the 2nd Tuesday of each month from 11:00-11:30 a.m. until such time that the committee feels it can go to a bi-monthly meeting schedule.
- VII. Adjourn With no further discussion, Chair Williamson adjourned the meeting at 12:01 p.m.

Next Meeting: The next meeting will be held on Tuesday October 8th at 11:00 a.m.

JD Williamson, Chair

Date

Attachment A

September 10, 2019

The NWDB Finance committee was established by action of the NWDB Leadership committee on July 5, 2018. The committee shall be staffed by the NWDB Financial & Administrative Support Specialist, the AC Finance Officer and the NWDB Director. The purpose of the Finance committee is as follows:

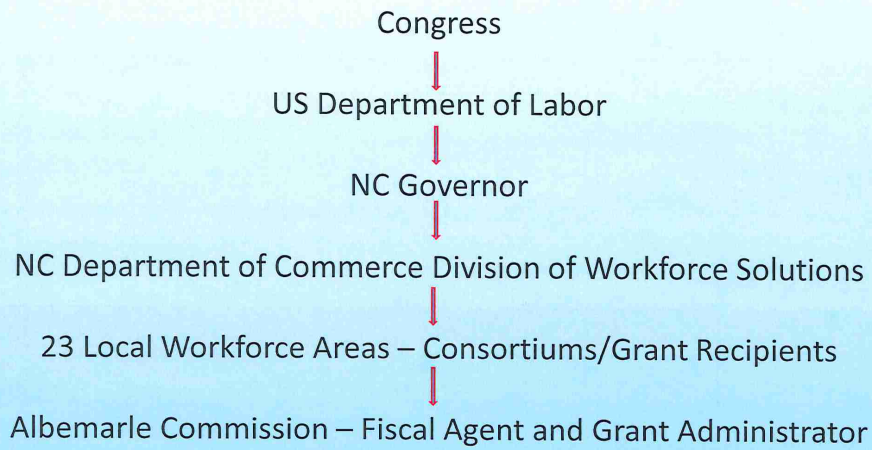
The Finance Committee shall work with NWDB staff achieve the following:

- Understanding of NWDB formula funds;
- understanding of NWDB budget expenditures;
- understanding of federal and state funding policies related to NWDB funding; and
- An understanding of NWDB grant funds and how they apply to activities outside of regular formula funds.

The Finance Committee shall:

- Provide input into the development of annual NWDB budget;
- Provide support with the presentation of the annual NWDB budget to the NWDB Consortium;
- Provide support with the presentation of the annual NWDB budget to the Albemarle Commission.

WIOA Title I – Adult, Dislocated Worker and Youth Flow of Funds



Northeastern Workforce Development Board

