



SPOKANE WORKFORCE COUNCIL

MINUTES SPOKANE WORKFORCE COUNCIL EXECUTIVE COMMITTEE

June 18, 2020 – 12:00-1:30 PM
Spokane Workforce Council – 140 S Arthur St, Suite 300C

MEMBERS PRESENT:

Robert Duron	Dan Evans	Staci Franz	Commissioner Josh Kerns
Tina Morrison	Mayor Nadine Woodward	Ron Valencia, designee for Commissioner Kerns	Diana Wilhite

MEMBERS ABSENT

Alan Hart	Machelle Johnson
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GUESTS PRESENT

John Dickson

STAFF PRESENT:

Mark Mattke – Chief Executive Officer	Dawn Karber – Chief Operations Officer	Jeanette Facer – Finance Director	Jessica Clayton – Program & Development Director
Angela Maioriello – Office Assistant			

Chair Dan Evans called the meeting to order at 1:00 PM with a quorum of members present.

ITEM #1 – REVIEW MEETING MINUTES

Review of May 20, 2020 meeting minutes.

Action: Motion and Second to approve the May 20, 2020 meeting minutes. Approved Unanimously.

ITEM #2 – PY20 OPERATING BUDGET

CEO Mark Mattke and Fiscal Director Jeanette Facer reported out on the SWC PY20 Operating Budget.

Our office has received WIOA Adult, Dislocated Worker, and Youth program and administrative awards from the state for PY20 (July 1, 2020-June 30, 2021) in May. All three programs have an increase over last year's allocation: 22.8% for Youth, 22.9% for Adults and Dislocated Worker, an almost 30% increase.

- With historic high numbers of unemployed workers across the country and in our area as well, this increase in DW funding is propitious.
- One reason this year's DW allocation is so much higher is that we requested that the state roll in the Rapid Response funds that are normally held back in the event of massive layoffs of business

closures over the course of the year. The 12 Local Boards petitioned ESD this year to award the majority of it up front because the need for resources to serve customers during this crisis is upon us right now.

The Formula funds are based upon the population characteristics of our area and the number of unemployed individuals that we had during a snapshot of time that took place last year, so it does not reflect the current economic situation. We need to meet performance measures in order to not have our state have any kind of recapture that would occur at the state level.

These are our primary funds that we use to leverage against all our other fund sources, it is our baseline investment that builds up our system and is the foundation. Everything else that we do helps to layer in and increase our capacity to serve our area.

Jeanette mentioned that Mark deserves more credit for making our work and all the other WDCs' work much easier to manage by leading negotiations to receive the Dislocated Worker funds up front. She then provided an overview of funds from PY19 and PY20.

- There are more fund sources in PY19 than PY20 because we only count the funding sources we have received. This is a conservative approach and there will be more funds coming in from various sources throughout PY20.

Jeanette reported that this budget includes funding for two new positions. One is a program/administrative position and the other is a marketing position. Overall, this budget is approximately \$8.1 million compared to the final budget of \$7.1 million last year.

Mark provided the committee with the PY20 Award Plan that goes into more detail regarding the allotments to our providers and the system. Our reserve for the year is about \$200,000 per program fund that we hold back to reinvest in the system as needed.

More grants are anticipated to come in over the course of the year, including another employment recovery one in the works that has been approved by USDOL. We are anticipating about \$1 million coming in for Spokane out of \$12 million total for the state of Washington.

Regarding the new employee positions and those that were previously filled but not rehired, one employee left the company earlier this year and that position was not backfilled so there were unexpended dollars. The SWC needs more staff capacity to effectively meet workload demands – carry out program work, oversight of contracts and grants, fiscal functions and the marketing position. At our last board retreat, it was agreed upon that there is a need to enhance SWC marketing efforts and hire someone full time to better reach our customer base and inform the community.

The addition of new funding we have been bringing in has required us to significantly increase the staff support in our office, which so far Jeanette has been taking on and affects her workload but does not require her level of expertise to carry out. Also, funders have asked that the SWC create a broader community presence through communication and we need to be able to market to our customers, for example, when we are able to provide new resources.

Salary increases were incorporated into the budget at an average of 4-5%. The forthcoming compensation study will inform the final levels.

Action: Motion and Second to approve the SWC budget. Approved Unanimously.

ITEM #3 – PY20 WIOA GRANTS – CONTRACTS AND SUBCONTRACTS

Dawn Karber reported that this action item is following up from last month's Executive Committee meeting, when the board voted to extend WIOA contracts for service providers on the Spokane

Workforce Campus. Since then, the SWC has received WIOA funding award levels from the state and are seeking board approval to bring in the funds to the SWC and subcontract with the Spokane Workforce Consortium for site operations and program services as follows:

	PY20	PY19	Change
Consortium Adult & DW Program Services	\$2,120,000	\$1,765,000	\$355,000
Consortium Youth Program Services	1,295,000	1,092,027	202,973
Consortium Talent Solutions Award	330,000	311,082	18,918
WS One Stop Operator (includes new assistant \$140K)	320,000	170,000	150,000
NGZ One Stop Operator	137,000	130,000	7,000
SRC Once Stop Operator (\$130K planned in DWG NEG)	90,000	73,800	16,200
CPS- Communications Vendor Contract (3 months PY20)	7,200	39,000	(31,800)
Total	\$4,299,200	\$3,580,909	\$718,291

Action: Motion and Second to approve contracts with ESD for PY20 WIOA program funds and subcontracts with Spokane Workforce Consortium members for service delivery and system operations. Approved Unanimously.

ITEM #4 – IRS FORM 990

Jeanette Facer shared that the IRS Form 990 for 2018 for the Spokane Workforce Council has been drafted by CliftonLarsonAllen LLP and is ready for comments and approval by the board. The 990 filing deadline is July 15th. There were several clerical errors to current but no substantive changes to the actual data contained in the 990. Staff will resend it to the Committee for review and provide feedback in the next week.

Meeting adjourned at 12:36 PM

Reconvened SWC Board Annual Meeting at 12:37 PM

Item #6 – Election of Officers

Mark stated that the bylaws of the SWC require that the Secretary and Treasurer of the organization be elected by the board on an annual basis. Last year Diana Wilhite stepped forward and served as Secretary for the year and Dan Evans served as Treasurer. We are asking these folks to stand again for those offices if they're willing.

Action: Motion and Second to elect Diana Wilhite as Secretary and Dan Evans as Treasurer. Approved Unanimously.

Meeting adjourned at 12:38 PM.

Executive Committee meeting reconvened at 12:39 PM.

ITEM #5 – ACTIVITIES AND UPDATES

Mark discussed the following:

- Debrief 6/10 Full Council meeting
 - This was our first Full Council meeting via Zoom and had great attendance.
 - The Council will utilize the Zoom breakout room feature at the August meeting for smaller group discussions.
- WIOA Performance Targets

- Staff had negotiated preliminary targets and then USDOL adjusted those targets with slight increases.
- USDOL wants to see improvements and program outcomes in the coming year despite the fact that the economy is in a state of disarray.
- Staff will work with our providers to ensure we increase performance as best we can, given the state of the economy and the volume of people being served.
- The difference in the credential rate in the adult program is about 16.4% higher than current performance.
 - Staff will be monitoring this and make sure we do all we can to ensure people in training programs earn a credential.
- Measurable skill gain is almost 30 points higher than our current performance.
 - Staff negotiated with the state for a lower rate but USDOL set this at 50% across the entire nation.
 - There are issues with our state data system and the ability to report outcomes properly, which is also being addressed.
- There are increases in both the Dislocated Worker and Youth programs.
 - Staff will make sure our providers do their best to achieve those goals.
- USDOL set these targets for the entire country regardless of the fact that we are in the largest economic downturn that has occurred in decades.
- At the end of the year, USDOL applies a statistical regression model to the targets.
 - This is based on several characteristics of the individuals serve in each program, and targets will be adjusted according to that model.
- Facilities Reopening Status
 - Staff have developed a campus reopening plan that is posted on all the various websites and the committee was provided a copy.
 - Staff will be allowed to come back to the SRC office first and phase in services.
 - SRC customers are having the most challenges connecting we resources.
 - Some staff will be rotating back into Next Generation Zone and WorkSource in keeping with all safety protocols. The majority will continue to work from home until Phase 3 when the building is also open to customers.
 - One challenge for WorkSource is that there are 24,000 individuals receiving unemployment insurance currently and there are 65 staff and room to serve about 280 customers at any given time.
 - Staff are seeking to develop technology solutions to aid in scheduling appointments.
 - All the PPE that is currently needed to open the SRC and the basics that we need to reopen in Phase 3 for staff and customers has been ordered.
 - Staff will seek to obtain additional PPE through the county, state or Employment Security Department as it becomes available.
 - The reopening plan was requested to be sent out to committee members.
- Jessica Clayton provided an update on participation at the Next Generation Zone.
 - The number of enrollments has decreased in the past few months partially due to virtual access issues.
 - Outreach and marketing efforts have been increased in the past couple weeks and resulted in enrollments starting to uptick slowly.
 - The state waived the 20% Work Experience expenditure requirement, however, our staff has kept pace with this requirement even during this unusual time.
 - Shout out to the staff on the youth team for continuing to be creative with work-based learning.

- Staff have brought in a few private grants that helped in purchasing laptops and mobile hotspots in order to decrease the barriers to access.
- Laptops and MIFI units will be lent out to customers across the campus.
- Many folks do have barriers to using phones or computers so our system will need to provide face to face services to help them get back on track.
- National Dislocated Worker Grants
 - Washington state applied for \$53 and \$60 million and received \$12 million for each of those for a total of \$24 million.
 - This is more than any other state in the country has received through this mechanism from USDOL.
 - The SWC will receive a percentage of those funds, about \$626,000 for the first and a little over \$1 million for the second.
 - The first grant focused on the disaster humanitarian relief to help people get right back into the labor market.
 - Staff are talking to different community-based organizations about their workforce needs.
 - The second grant is more focused on the recovery and getting people into longer term training to get them prepared for the economy that is to come.
 - We have yet to receive either grant and are currently working through the proposals to get the final grants executed, then bring those funds into our community.
 - If we spend down 70% of either or both of those grants, we can apply for more funding from USDOL on an as-available basis.
- NAWB Conference and Award
 - Those signed up for the conference will get emails indicating it is now a virtual conference and available to attend online.
 - The SWC will be presented with the National 2020 Trailblazer award and providing more information on when that will be broadcasted.
- Conflict of Interest forms
 - Angela will send out forms via DocuSign

ITEM #8 – OTHER BUSINESS

Dawn provided an update on consulting services. Staff have been working double time to put our services out across the nation to gauge interest tapping our expertise. We put in a bid and are waiting to hear back from the state of California to potentially consult to any local board that wants to work with us. The SWC has also been contacted by the state of Montana, have three other areas that we are waiting to hear back from, and have also been contacted by a national association. There exists the potential to generate some revenue. The SWC is at somewhat of a crossroads as we have not increased staff and the workload has increased quite a bit. We knew that was going to be a challenging time and it just happened to come during the worst economic downturn that we have ever experienced and been managing. Staff hope to hear back next week and update the committee next month.

Robert Duron commended Mark and the team for their hard work and noted that we are working extra hard during this crisis. He wanted to point out that workforce teams nationwide are putting in extra time and he hopes that is taken into consideration in the salary compensation study. Regarding consulting services, it is too bad we had to put things on hold for a bit while dealing with this crisis but anything we can do to publicize those services would be great. Thankfully, we are looking into getting a marketing person to get our brand out there as much as possible. He thanked the SWC for their hard work.

Meeting adjourned at 2:05 PM.