MEMBERS PRESENT:
Kelley Charvet             Robert Duron             Dan Evans             Machelle Johnson
David Lewis, designee for Mayor Woodward   Tina Morrison             Staci Taylor             Ron Valencia, designee for Commissioner Kerns
Diana Wilhite

MEMBERS ABSENT
Commissioner Josh Kerns             Mayor Nadine Woodward

OTHERS PRESENT
John Dickson – Spokane County      Amanda Fisher – Labor & Industries
Breanna Perry – State Auditor’s Office
Alicia Shaw – State Auditor’s Office
Breanna Perry – State Auditor’s Office

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

Chair Dan Evans called the meeting to order at 12:00 PM with a quorum of members present.

ITEM #1 – REVIEW OF MEETING MINUTES
Review of January 21st and February 10 special meeting minutes.

Action: Motion and Second to approve the January 21, 2020 and February 10th special meeting minutes. Approved Unanimously.
ITEM #2 – STATE AUDITOR’S OFFICE EXIT REPORT & MONTHLY FISCAL REPORT
Jeanette Facer, Finance Director – SWC

State Auditor’s Office Exit Report
Breanna Perry and Alicia Shaw, Staff Auditors with the Washington State Auditor’s Office, provided a report on the annual audit of the SWC, conducted in December 2020-January 2021.

State Auditor’s Office Background – Breanna Perry, Audit Lead
• Their office performs over 2600 audits for the state and local governments each year.
• One of the most important things about our audits is their ability to increase trust in Government. The State Auditor’s Office is an independent organization that provides transparent examinations of the operations of state and local governments and provides those results directly to citizens.
• Another important role of the audit is supplying audit recommendations to assist governments and continuing to improve the efficiency and effectiveness of their operations.

SWC Financial Statement Audit – Alicia Shaw, Program Manager
• They conducted a financial statement audit for fiscal year ending June 30, 2020.
• The objective of the financial statement audit is to issue an opinion as to whether those financial statements are materially accurate, fairly presented and reported in accordance with generally accepted accounting principles.
  o Based on their testing and the procedures that they perform they were pleased to report that they are issuing an unmodified opinion on the Council’s financial statements.
  o This means we received a clean opinion which is the best opinion that the Council can receive for their financial statements – great job!
• It is also important to note that as part of their audit, government auditing standards require them to evaluate the internal controls that are in place to prepare the Council’s financial statements, which means what are the day-to-day processes that the Council performs to ensure that at year end, they are going to prepare accurate financial statements that are ready for audit.
  o Should they identify any concerns or weaknesses with those processes or those control structures, they would be required to bring those to our attention.
  o For this audit, they are pleased to report that they did not identify any concerns in the Council’s controls that they are required to bring to our attention meaning there are no deficiencies to report.
• As part of their financial statement audit, audit standards also require them to evaluate if there was any noncompliance with applicable laws, regulations contracts or grant agreements and if that noncompliance identified resulted in the material errors in the financial statements, and again as part of their audit results.
  o They shared that they did not identify any central instances of noncompliance that are required to be reported to Council.
• Audit standards also require that they share with us if there are any uncorrected misstatements, in the financial statements and those generally are immaterial if there are any, and then also to report if there is any material errors or misstatements that were identified during the audit and corrected by management.
  o Again, with this area they were pleased to report that there are no uncorrected misstatements, and that there were no material misstatements identified during the financial statement audit.
  o The details of those audit results are on pages four through seven, and 11 through 14 of our packets.
SWC Federal Grant Compliance Audit – Alicia Shaw

- As part of the audit, one area of emphasis that they focused on this year – and this is being applied to all their clients – draws attention to let readers know they are aware that COVID-19 has potential impacts, but they are not aware of what the direct or indirect impacts of this pandemic could be.

- For the federal grant compliance audit, they did audit the WIOA grant cluster that was about $5.6 million, which covers about 97% of total federal expenditures for fiscal year 2020.
  - That is generally the major program that is selected every year from the Council for audit.
  - The standards that they follow for government auditing standards are generally the same for the federal grant compliance audit.
  - The added element to that is that they also audit in accordance with federal Uniform Guidance through those federal regulations that not only is the Council required to follow but they are required to audit to.

- They conducted a single audit for fiscal year, June 30, 2020 fiscal year end.
  - The objective of that is to perform procedures and issue an opinion as to whether the Council complied in all material respects with the compliance requirements for the program that are considered directly material.
  - They are pleased to report that they did not identify any instances of noncompliance and are issuing an unmodified opinion on the Council’s single audit which is a clean opinion, and the best opinion that accounts can receive.
  - The auditors noted that this speaks well of how the SWC manages its fiscal operations since if they are going to issue findings, they generally issue most of their findings in financial statements and especially with federal grant compliance audits because of their complexity and the large number of requirements that go along with these federal grants.
  - Alicia said, “great job for the Council having a clean opinion on our federal grant compliance audit.”

- As part of the audit, they also evaluate the internal control structure that is in place to ensure that the Council will materially comply with the requirements of the program and if they identify any weaknesses in those controls, they are required to report that to the board.

- Again, they are pleased to report that there were no instances of noncompliance or control weaknesses that resulted in noncompliance related to our program, and the results for that audit are detailed on pages four and five, and then eight through 10 of our packets.

Audit Highlights

- They appreciate the efforts of the Finance Director to prepare a financial statement binder for the auditors each year, which greatly facilitates this process and reduces interruptions to Council employees.

- They would like to thank the Finance Director for making every effort to provide them with requested documents in a timely manner, especially in a largely remote working environment.

In relation to their financial statement audit report, they would like to bring to our attention:

- There were no uncorrected misstatements in the audited financial statements.
- There were no material misstatements in the financial statements corrected by management during the audit.

Monthly Fiscal Report
Jeanette reviewed the SWC Actual vs Budget for PY20.
• The budget is approved in May and the program year starts in July and existing grants are incorporated into the approved budget starting in the new program year.
• The updated budget includes the COVID-19 funding received to date.

SWC All Grant Funding Sources PY20 –Actual
• WIOA Formula Adult/DW/Youth Funds: $2,616,082
• WIOA Formula Administrative Funds: $232,343
• WIOA Competitive Grants: $943,508
• Other Grants: $2,028,298
• **Total Grant Funding: $5,820,231**

SWC Other Income PY20 –Actual
• $69,533
• **Total Funding Sources: $5,889,764**

SWC Grant Funding PY20: July – January Actual
WIOA Formula:
• **Total: $2,848,425**
WIOA Competitive Grants:
• **Total: $591,677**

COVID Specific:
• WIOA COVID-19 DWG NEG PY19: $185,843
• WIOA COVID-19 DWG NEG PY20: $165,988
• County HHAA: $132,767
• County CDGB CARES: 36,525
• City ERAP Youth: $205,000
• City TBRA: $498,364
• City CARES ACT: $1,022,000
• **Total: $2,246,487**

Other Grants:
• **Total: $133,642**

**ITEM #3 – WIOA RFP CONTRACT EXTENSIONS**
Dawn Karber, COO – SWC

• The SWC released four RFPs for WIOA services for Program Year 2019 (July 2019-June 2020), with the option of extending for up to two additional years.
• This committee voted to extend contracts last spring for Program Year 2020 (July 2020 – June 2021), and now it is time to discuss and vote on extending again.
• At its February 24, 2021 meeting, the Services and Oversight Committee discussed and approved the plan outlined below and voted to forward to Executive Committee for concurrence and action.
• The outline below shows the various services and the funding awarded under these RFPs for the current program year (July 2020 – June 2021).
<table>
<thead>
<tr>
<th>RFP</th>
<th>Current Provider(s)</th>
<th>PY20 WIOA Formula Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campus Operations <em>(One-Stop Operator, Next Gen Zone Operator, SRC Operator)</em></td>
<td>Career Path Services (CPS)</td>
<td>$404,826</td>
</tr>
<tr>
<td>Adult and Dislocated Worker Services provided at WorkSource</td>
<td>WorkSource Consortium: CPS, Employment Security Department (ESD), and Goodwill Industries of the Inland Northwest (GIIN)</td>
<td>$2,120,000</td>
</tr>
<tr>
<td>Talent Solutions <em>(Business Services)</em></td>
<td>Talent Solutions Consortium: CPS and ESD</td>
<td>$330,000</td>
</tr>
<tr>
<td>Youth services provided at the Next Generation Zone</td>
<td>Next Gen Zone Consortium: CPS, GIIN, and NorthEast Washington Education Services District 101 (NEWESD101)</td>
<td>$1,294,929</td>
</tr>
</tbody>
</table>

- Funding for the next program year has not been announced yet, so this is based upon current funding levels as a guide for planning purposes.
- This process is specifically regarding our WIOA Title I Formula Funding and does not affect any of our WIOA competitive or private grants.
- Staff will bring finalized PY2021 allocations back to this committee after they are announced.
- Staff are requesting approval to extend the following contracts through the next program year (July 2021-June 2022): One-Stop Operator, SRC Operator, Adult and Dislocated Worker Services, and Talent Solutions.
  - Our current providers are doing an excellent job meeting the specifications of the RFPs during a tumultuous time in our economy, precluding the need to conduct a full RFP process during pandemic conditions.
  - Also, despite changes to our service delivery caused by COVID-19-related closures and disruptions, the overall goals of each RFP are still relevant to the work that is happening at each of our sites.
- For youth services and Next Gen Zone Operator, staff are asking this committee to extend the current RFP through November of 2021.
  - This is an unusual timeframe as it is part-way through the program year.
  - However, the Next Gen Zone lease is up in November, and along with lease negotiations we are exploring potential program and physical re-design of the Next Generation Zone and may be considering a physical move.
  - It makes sense to re-evaluate the goals outlined in the RFP at that time and make changes that coincide with a potential physical and/or programmatic redesign.
  - This plan is aimed at potentially changing the goals outlined in the contract – at this time we do not anticipate that we will want to seek out new or different service providers.

**Action:** Motion and Second to extend our current RFP for WIOA Title I formula-funded services for Adult, Dislocated Worker, Talent Solutions, and WorkSource and SRC Operations from July 2021 through June 30, 2022 and our current RFP for WIOA Title I formula-funded services for Youth and Next Gen Zone Operations from July 2021 through November 30, 2021. Approved Unanimously.
**ITEM #4 – ACTIVITIES AND UPDATES**
Dan Evans, Chair – SWC Board

Information from around the table – all board members and staff.

- Dawn Karber, COO – SWC shared the facilities reopening plans:
  - The Spokane Resource Center has been the most progressive site with reopening, they have been allowing staff back for two to three months and then they transitioned to customer-facing appointments.
    - It is by appointment and only for customers who had criminal records.
    - Those transitioning from either the local jail or from prison were having a more difficult time than all the rest of our customers.
    - On Monday, April 5th they will be opening for all customers on an appointment-only basis, then transition a few weeks later into limited in-person services before opening fully again.
  - WorkSource has a huge need for in-person digital literacy classes.
    - We are currently negotiating with ESD regarding offering onsite services.
    - It is a state-leased facility and none of their staff are allowed to come back in until they work through HR planning process.
    - Dawn is developing a plan to have a SWC employee teach a few classes in order to meet customer needs.
  - The Next Generation Zone has been open to customers on an appointment-only basis with limited students in the classroom.
    - They are extending the number of young people allowed in the classroom now that we are in Phase 3.
    - They will do sign ups and walk-ins beginning the first week in April.
  - Mark mentioned that the state Office of Financial Management is also involved with getting approval for state employees to return to the office.
    - This is slowing things down as adding another element that was not part of the front-end decision to close the centers.
    - The reopening has taken on a new level of scrutiny and required authorization to make that happen.
    - We need to move forward safely with protocols while offering people the services they need to get back to work.

- Mark reported out on the Virtual Job Fair /CRM procurement process.
  - In January, we released a Request for Quotes for service providers for a Virtual Job Fair platform and a Customer Relations Management platform, both to primarily be used by the Talent Solutions Team to both offer higher-quality virtual hiring and networking events, and to streamline services for businesses in support of our entire campus.
  - The review committee chose Premier Virtual as the winner of the bid for Virtual Job Fair services, and our one-year agreement with them will allow us to host unlimited hiring events with unlimited attendees and employer booths.
  - This is exactly what we have been seeking, as the platform the state chose had extremely limited numbers of events and booths, and it charged high fees for going over those limits.
  - We are starting work with Premier Virtual right away and will most likely hold our May job fair virtually using that platform.
- The CRM winner was ezIQ, a local company we have been working with for several years.
The platform still needs to build out some necessary features but offered us a discount and the ability to review and terminate at 90 days if the features are not built out to meet our specifications.

We are looking forward to continuing the relationship with this local small company and working collaboratively to help the owner build a CRM platform tailored to workforce development needs.

Mark provided an update on the Spokane County Peer Navigator position from the Spokane Resource Center.

Spokane County awarded the Spokane Workforce Council $15,000 for a peer navigator position to be located at the County’s newly launched Intake & Release Center, created to reduce the jail population thereby decreasing the possibility of COVID-19 facility outbreaks as well as free up valuable time and resources for law enforcement which currently goes to booking low level misdemeanor offenders.

This will start as a 3-month position, created to connect justice-involved persons with Spokane Resource Center resources for wrap around services and potential connection to training and employment opportunities.

The position will be reviewed after three months and potentially be extended for another three months with a contract amendment if found valuable to the community.

Spokane County will seek additional funding at the 6-month mark if there is reason to continue the position beyond.

The SWC issued a $14,000 subcontract to Career Path Services to hire and manage the position.

John Dickson, COO at Spokane County, shared that they have a modular office outside the jail where law enforcement officers have the opportunity to take people charged with misdemeanors and very low felonies to be quickly booked and released.

- These individuals will be able to keep their Medicare/Medicaid insurance that would otherwise end if they were booked into the jail. They will have the opportunity to meet up with the peer navigator to get more at the root cause of the challenges that have landed them in the criminal justice system.
- Going forward, the Spokane Resource Center has many key offerings and programs that they are interested in and it is a big part of the County’s future strategy for those that find their way into the legal and justice system.
- John thanked Mark and the team for helping to get these folks connected with resources that will help them turn their lives around when they find themselves on the County campus.

David Lewis mentioned that the peer navigator would have lived experience with the justice system and asked what sort of caseload that individual would be able to manage and the funding going into the position.

- Dawn replied that this is a pilot project, and the position is mainly responsible for making referrals, not managing a certain caseload.
- The peer navigator will have lived experience, be aware of resources across Spokane and work from 3 PM – 11 PM.

Mark shared that this is part of our overall ethos, to connect all the diverse populations into the workforce system so they can avail themselves of whatever resources and services we have and better leverage our community partners to do that.

- Justice-involved individuals are one of our target populations that we are trying to serve more effectively to get back into the world of work.
- It has been a great partnership with Spokane County and the Regional Law and Justice Center on some other programs that offer the connectivity of peers that
have lived experience helping people coming out of incarceration connect back into the community.
  - Often, people come out of jail and do not have the skills, clothing, or housing so the Spokane Resource Center tries to provide services to help stabilize all those elements in their lives so they can take the next steps on a career path and be successful economically.
  - Mark thanked Spokane County for their partnership.

- Mark shared updates on the Spokane Resource Center lease process.
  - The lease expired at the end of September, and the City graciously agreed to sign another lease and be the lease holder since the building owner is more comfortable leasing to a public entity, governmental or otherwise.
  - There is a six-month lease extension, and it runs out on the end of May.
  - We are coming up against that timeline again and really working quickly to try and make sure that the current lease is paid, and we obtain a signed MOU with the City. Mark met with the Mayor earlier this week to discuss this and make sure she is aware of the deadline so we can get that signed.
  - The SWC approved funding in December of 2020 to cover the cost of the lease over the six-month period, but we need the City to execute the MOU that was crafted last winter so we can pay the lease costs. We are trying to execute that so we can at least make the funds transfer from our budget into the landlord's account, and then will need to figure out a longer-term solution.
  - The Spokane Resource Center has become a focal point for the delivery of multiple resources to different vulnerable populations.
    - During the pandemic we have distributed almost $2 million in rental relief assistance out of the Spokane Resource Center, and it has been recognized as a national model for how we deliver services synergistically among different partners for all these populations.
    - We are continuing to negotiate with the City and others about what our next step in this is, and Dawn has been very close to this work over the last few months.
  - Dawn shared that since the building owner will not lease to someone unless they are public sector/government, we are at risk of losing the Spokane Resource Center if the City does not extend their lease by May.
    - David Lewis said he would make note of this, talk with Cupid after the meeting and get back to Dawn with an update no later than early next week.
  - Dawn mentioned that we are committed to helping secure funding if we need to.
    - The Spokane Resource Center has served about 7,000 individuals throughout the last year and brought in millions of dollars in funding.
    - We have 14 full time staff and 18 community partners.
    - The resources are working and will be even more important as we reopen so we hope the City can extend the lease and help us save the Spokane Resource Center.
  - Mark shared that we would like to expand the conversation to our partners at Spokane County around this since a lot of the funds they have awarded through the CDBG and HHAA also go through the Spokane Resource Center.
    - We think this is a great model that we could co-invest in together as the SWC, customers have found real value in the Spokane Resource Center’s direct proximate relationship to the WorkSource Center.
The fact that the Spokane Resource Center is part of the employment & training ecosystem has been highlighted as the real focal point of its success, so we do not want to lose this lease and be forced to find a new location.

With the colocation model we can leverage all the combined investments and assets that we have in the WorkSource Center and our WorkSource campus in support of our customers.

We really need to engage in some substantive conversations about a solution and we would very much welcome having an opportunity with the County to have deeper conversations as we all think about where the investments are going to go for the new round of funding coming in from the federal government. By supporting the infrastructure now, we will not have to start from scratch again.

We are really hoping we can find a solution that works for all of us, makes sense and continues this service delivery.

Dawn shared that her biggest fear with moving the Spokane Resource Center off the WorkSource campus is that we will lose access to a significant amount of funding that we justify by tying to the WorkSource Center and being in the same building. It would be to the detriment of the Spokane Resource Center if we moved off campus.

John Dickson asked about the e-presence at the Spokane Resource Center and what size the building needs to be considering the transition to telework. He recognizes that we still need in person services for those customers that may not have access to computers or internet.

- Dawn replied that we do need the Spokane Resource Center to be the size it is for right now, even if we extend the lease out another year and get an idea of what post COVID looks like.
- There has been a huge increase in need across the community.
- Dawn would like to see a hybrid of in person and online presence but at this point, based on the number of calls we get each day, were already fairly maxed out on space before COVID hit and we are going to use every square foot we have here.

Mark mentioned that we have pivoted to virtual services over the last 12 months, but it is an access issue, the people that the Spokane Resource Center serves are the most vulnerable among us, they do not have the wherewithal to have a robust internet connection, a computer at home or a smart phone data plan that allows them to make those connections.

John and Ron Valencia welcome the opportunity to talk with Mark and Dawn and continue this conversation on behalf of the County.

- David received an update from Cupid and shared that there has been some progress regarding extending the lease and he will connect with Cupid after this meeting.
- Dawn confirmed there are two things happening at one time: the MOU so we can pay the rent that has been due for many months and then extending the lease beyond May.
- Dawn reported out on our Technical Assistance work.
  - Kevin and Dawn are wrapping up the Montana contract, it should be fully built out at the end of next month, and we will be paid about $50,000 for our technical assistance work with them.
  - Dawn is currently working with a group in California to put together a similar sized contract, if we are selected, and we have smaller contracts throughout the country as well.
We will need to purchase a learning management system, not just for the technical assistance process, but also for our staff across the campus as we will remain committed to an online presence and remote work for many of our staff.

- Mark provided an update on the racial equity work planned for the upcoming board meetings and retreat.
  - We have engaged with Greater Spokane Progress, a local firm that does racial equity work, and we are working with them to develop some curricula, content, and a strategy for how we are going to engage the board starting at our April 14th meeting.
  - The goal is to start out with some of the building blocks and foundational pieces to discuss why we are doing this, what is happening with regards to our community and how we are serving different populations to build a common understanding around this work.
  - Some of us have already been engaged in this to varying degrees, therefore we are trying to get everyone to have a common understanding and then move forward as a board together over the course of the April, June and August meetings then culminating in an October retreat with a deeper dive into this.
  - There will be a survey in advance of the April 14th board meeting asking where folks are and their understanding of racial equity.
  - For the next three board meetings the plan is to take about half of the meeting to have someone from Greater Spokane Progress present on this, have some small group discussions to process it together and have part of the meeting reserved for business.
  - It is important for the private sector, for the public sector and for our community so we want to be sure as a board that we are doing what we can to get our arms around this and understand the implications then play a positive role in our community to help work with different populations that we are serving.

**OTHER BUSINESS**

- Staci Taylor shared an update from the NAWB meeting last week.
  - This year NAWB is planning a hybrid forum from June 24th through the 26th.
  - There will be both in person and virtual attendance options and they are going to cap attendees at 500.
    - There will be a discounted rate for those that choose to attend virtually.
  - It will be held at the Hilton and rolling registration emails should come out within the week.
    - Congress is in session that week so if you plan to attend in person, it may be a great time to reach out and set up some appointments with our representatives.
  - Those who paid for 2020 will have first rights to attend in person and then they will extend it to members before opening it up.
  - They will not have an exhibit hall this year due to the pandemic, so they are going to repurpose that section and are still working on what that design looks like.
  - Next week there will be an invitation, an RFP for speakers and an invitation for nominations for awards.
  - The last thing they are going to launch is an opportunity to share success stories, via Workforce Investments Works.
    - Staci would like to see us showcase the Ambassador program at the Next Generation Zone.
- It is really cutting edge; we are employing youth to do work for us within the Next Generation Zone and they have seen some great marketing enhancements through various platforms.
- Robert replied that hopefully there will be an opportunity to put our technical assistance work as one of the possible show discussions.

- Mark shared that last month the Washington Workforce Association held a convening that was intended to bring together our elected officials that serve on the boards, chairs of the local workforce development boards, and the 12 staff executive leaders.
  - Dan was able to attend, Ron on behalf of the County and Mayor Woodward attended on behalf of the City.
  - It was a great discussion and a chance for us to level set our understanding across the state of what local workforce relevant boards do, what our function is under the law, and then look for opportunities where we have taken advantage over the course of the last year to serve our communities more effectively during the pandemic and set the stage for where we are going to go in the future.
  - We leveraged the combined power of our private sector, our elected officials on these boards as the kind of cornerstones of local boards and what we can accomplish together, whether that is programmatic, advocacy, championing things at the national level legislative wise and so much more as we plan for a second convening to occur to build off this one.
  - It is an effort on the part of Washington state local boards to better circle around the issues that matter most to us and highlight the successes that we have experienced.
  - This allows us to take advantage of the might and structure that underpins our board, which is the private sector and local government.

- John shared that the County just put out a news release today on utility assistance in this region.
  - They partnered with SNAP and their portion is about $10 million with $2 million available for County residents including City of Spokane residents.
  - The other $8 million is going to be for all residents other than in the City of Spokane and the reason for that is that the City of Spokane received up to $9 million and they are coming up with their own process.
  - Collectively they will have almost $20 million more in utility assistance coming into our region.
  - Their teams are doing a great job getting these funds out.

- Mark mentioned that we are also partnering with SNAP.
  - They had a meeting two weeks ago to make sure we know the ins and outs of the programs so we can make good referrals to tap into those funds.
  - He thanked the committee for their participation, support, and partnership.

Meeting adjourned at 1:22 PM.