



## SPOKANE WORKFORCE COUNCIL

### MINUTES SPOKANE WORKFORCE COUNCIL EXECUTIVE COMMITTEE

**March 24, 2022, 12:00-1:13 PM**  
Meeting held via Zoom

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#### **MEMBERS PRESENT:**

Kelley Charvet	Christina Vigil-Gross	Staci Taylor	Diana Wilhite
Dan Evans	Commissioner Josh Kerns	Steve Macdonald (designee for Mayor Woodward)	
Tina Morrison	Robert Duron		

#### **MEMBERS ABSENT**

Mayor Woodward

#### **OTHERS PRESENT**

Steve Simmons

#### **STAFF PRESENT:**

Jessica Clayton – Program & Development Director	Jeanette Facer – Finance Director	Dawn Karber – Chief Operations Officer	Laurel Henderson– Program Coordinator
Mark Mattke – Chief Executive Officer	Kevin Williams—VP of System Advancement		

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Chair Kelley Charvet called the meeting to order at 12:02 PM with a quorum of members present.

#### **ITEM #1 – REVIEW OF MEETING MINUTES**

Review of December 16, 2021 Meeting minutes.

***Action: Motion and second to approve the December 16 Meeting minutes. Approved Unanimously.***

#### **ITEM #2 MONTHLY FISCAL REPORTS**

Jeanette Facer, SWC Finance Director

Jeanette reported on financials for SWC.

## **SAO Audit Update**

Starting in August of 2020, the Spokane Workforce Council (SWC) entered into two contracts with the City of Spokane to deliver emergency COVID-19 rental assistance to those residents of the City of Spokane in dire need of help paying for housing costs during the global pandemic. The funds were awarded to the City of Spokane as part of the Coronavirus Relief Fund and CARES Act. The SWC was uniquely qualified to manage the distribution of a portion of these funds as they have an existing model in place to deliver support services to the community. The SWC put together a plan and was able to distribute much-needed rental assistance to City residents within a very short turnaround time. The contracts drawn up by the City allowed for an indirect cost rate and the SWC charged indirect costs to the grants, along with their approved subrecipients, in accordance with the contract terms.

It is now over a year later and the Washington State Auditor's Office (SAO) is currently conducting their annual audit of the SWC which includes the CARES Act funds. The SAO just recently concluded its annual audit of the City of Spokane and issued a finding stating that indirect costs by their subrecipients are not allowed to be charged against CARES Act funds, citing the Guidance for State, Territorial, Local, and Tribal Governments. The SWC is now also facing the prospect of a finding and potential return of the questioned costs totaling approximately \$34,000 in the worst-case scenario. The more likely scenario will be that SWC would be issued the finding but would not be required to repay the disallowed costs as was the case with the City of Spokane's finding. The SWC has submitted a letter to the SAO arguing the validity of the finding and we are awaiting a response.

There was a discussion to clarify why there is the potential finding. There are two contradictory federal laws. The SWC was following the guidance of one law.

## **ITEM #3 – GRANTS AND CONTRACTS**

Mark Mattke, SWC Chief Executive Officer

### **United Way – Resource Center of Spokane County**

In June 2021, the SWC was awarded \$15,000 from United Way for program support at the Resource Center of Spokane County. All of the funding was retained by the SWC and the majority of it was utilized to support rent at the Center and to procure and build out a new database and referral tracking system that all onsite partners can use with our shared customers. After re-assessing needs at the start of the new year, SWC decided to subcontract \$5,000 of the remaining funds to Career Path Services to be used to provide support services to RCSC customers who either do not qualify for services through other grants, or whose needs exceed what other grants can cover. This will be particularly helpful in the late spring and early summer when EcSA funding is reduced.

### **Economic Security for All – Round 2**

Economic Security for All (EcSA), is a poverty reduction pilot program that the SWC has been operating out of the Resource Center of Spokane County since spring of 2019. It utilizes WIOA Statewide Activities funding to provide intensive case-management to adults who are receiving public assistance and below 200% of the federal poverty level to help them reach their self-sufficiency goals. The program was started with four pilot areas, and this last year was expanded to be statewide. SWC has been offered Round 2 funding to extend the program until March of 2024. This program provides essential staffing for the RCSC and is the programmatic backbone at the center, onto which the Basic Food Employment & Training (BFET), CDBG, and rental assistance programs layer. The SWC is seeking approval to bring in the \$369,630.00 in funding via the Employment Security Department and subcontract \$330,630.00 to the Spokane WorkSource Consortium.

***ACTION: Motion & Second to accept \$369,630 in Economic Security for All funding and subcontract \$330,630 to the WorkSource Consortium. Approved unanimously.***

## **WIOA Funds Transfer**

WIOA law allows local areas to transfer funds from the Dislocated Worker program to the Adult program, or vice versa, and Washington state normally has set a 30% cap on the amount of funds that can be transferred between programs, but this is under a current waiver that allows up to 100% transferability. The SWC does not execute a funds transfer each year, and our last transfer request was in January 2016. However, this year the SWC has multiple discretionary Dislocated Worker grants, combined with a higher than anticipated number of Adult customers. Adult customers are also needing more intensive and fewer basic services than pre-pandemic, and direct client costs are high, particularly for occupational skills training which has been the most effective and popular offering to connect our higher-needs customers back to the workforce.

SWC Staff submitted an application to the state to transfer \$250,000 from the Dislocated Worker program to the Adult program to allow the SWC to meet the increased customer demand for those services. The state approved the request and the SWC is now seeking board approval to sign the contract modification to shift those funds.

The transfer will allow SWC to serve 500 additional Adult customers, 57 of whom can receive training services, and will not negatively impact our ability to serve Dislocated Worker customers. The transfer accounts for 18% of our DW allocation for this year, well below the allowed limit. Lastly, these are PY21 funds, which SWC has until June of 2023 to fully expend. This means that if all \$250,000 additional Adult dollars are not expended by June of this year, they will carry over into next year's contracts.

***ACTION: Motion and Second to approve the transfer of \$250,000 of PY21 WIOA formula funds from Dislocated Worker program to Adult program. Approved unanimously.***

## **Career Connect Washington – Subcontract with Machinists Institute**

The SWC was approached by the Machinists Institute to support their grant application and then assist with the promotion of their programs designed to develop workers in the aerospace, manufacturing, and automotive industries. The proposal was funded by Career Connect Washington and between 3/1/2022 – 12/31-2022, the SWC will be awarded \$10,000.00 and used by the SWC to provide:

- 3 hiring events for the Machinists Institute (virtual or in-person TDB)
- Table at the KHQ Job Fair
- Assist with developing content for an outreach plan outreach to young adults

## **ITEM #4 – ACTIVITIES AND UPDATES**

Kelley Charvet, SWC Board Chair

### **RFPs—SWC issued four RFPs—Dawn Karber**

Proposals are due May 3, 2022. SWC allows the most time for proposals of any workforce board. Thanks to all the committee and board member who helped with this process.

### **WorkSource Campus—Dawn Karber**

We are open for business and transitioning back to having people on campus. However, there are not as many people seeking employment currently and those with whom we are working need additional help in getting a job. The RCSC is busy, with increased customers and we are seeing more customers with mental health challenges. We have had several challenges on campus and some security issues.

CHAS echoed that they have also been having this experience with their clients in the past year. Kelley offered to connect with Dawn Karber to share training strategies and resources for de-escalation tactics for potential future incidents on campus.

### **Next Generation Zone—Kevin Williams**

All services are now being delivered on the first floor and it is great to have the education and career team together, fostering more collaboration. In the future, NGZ staff will be going out into the community to promote the offerings at NGZ. 75 youth have earned a GED this past school year. We will be celebrating these youth at the Embark celebration on June 14<sup>th</sup> at the Hemmingson Center at Gonzaga at 10 a.m. We will also be honoring youth who have also received a technical certificate from the Open Doors program.

### **Technical Assistance –Dawn Karber**

SWC has received calls from across the U.S. to help other local workforce development boards implement similar programs such as the Next Generation Zone. Dawn and Kevin have worked with several local boards to provide technical assistance and SWC is earning \$20-\$40K for each contract, on track to earn about \$100,000 this year.

### **Open Position—Office Assistant**

Laurel Henderson was promoted to Program Coordinator, and SWC is now seeking to hire a new Office Assistant. Details about the position and information on applying are available on the SWC website. ([www.spokaneworkforce.org](http://www.spokaneworkforce.org))

### **WIOA Allocation—Mark Mattke**

SWC has not received its allocation from the state this year, but SWC is anticipating a budget cut this year of about 20% in combination with a budget cut of the same amount last year. SWC is hoping to not have to have a layoff or reduce services and staff are looking at all creative ways to fund our current service model.

### **Legislative Recap—Mark Mattke**

To help offset the forthcoming budget cuts, SWC has been working with the State Legislature to advocate for increasing workforce development funding for WA state in the amount of \$50 million. This was not acted upon by the Legislature during this session but will be seeking to re-introduce and get passed in the next session. The SWC is also looking to our partners at the County and City for American Rescue Plan Act funds. Mark Mattke has submitted a request to Spokane County, and he will be working in concert with Spokane Community College on a funding proposal.

### **Secretary Walsh (USDOL)/ Sen. Murray Visit—Mark Mattke**

CEO Mark Mattke will be meeting with Secretary Walsh and U.S. Senator Patty Murray in Tacoma tomorrow (3/25/22) to participate in a roundtable discussion highlighting the impacts of local workforce development efforts in parts of Washington state and identifying gaps where USDOL can provide assistance.

### **OTHER BUSINESS**

Kelley Charvet, SWC Board Executive Chair

Staci Taylor—her interim position at Providence has ended and she is leaving the Spokane area at the end of May and will be resigning her position on the board and on the Youth Committee. We will be

having a going away celebration on April 19<sup>th</sup> at 5:00 p.m. at the Safari Room at the Davenport Tower and all are invited to say thank you and bon voyage.

**Meeting Adjourned at 1:13pm**

**NEXT MEETING:**

The next Executive Committee meeting is scheduled for Thursday, April 28, 2022, from 12:00-1:30 p.m.