

Quarterly Meeting Minutes
South Central Region 8 Workforce Board, Inc.
Zoom Meeting
August 5, 2020 - Noon to 1:30 PM

Board Members Present: Kenneth McKee, Jason Flinn, Brian Shockney, Elizabeth Green, Scott Adams, Jennifer Pearl, Steve Johnson, Adam Gross, Trent Todd, Michelle Ellis, Jeff Pipkin, Michael Stieglitz, Terry Pittman

Others Present: Rob King, Shannon Laurent, Randy Wells, Carla Crowe, Phillip Dart, Robin Branch, Alex Crowley

Board Members Absent: Brenda Reetz, Scott Baker, Gene McCracken, Marvin Wagler, Teresa Hudson, Mitch Holland

Call to Order

Kenneth McKee called the meeting to order at Noon. Rob King welcomed new members to include: Scott Adams - Labor Union Field Representative (Bricklayers Local Number 4 Union Hall); Brian Shockney – Monroe County Business Representative and President, South Central Region (IU Health); and Jeff Pipkin – Monroe County Business Representative and Economic Development Manager (Hoosier Energy). A quorum of the Board was confirmed as present.

IDWD Guest Presentation – Commissioner Fred Payne

Fred Payne, Commissioner for the Indiana Department of Workforce Development, discussed three specific areas to include: 1) Covid-19 and Unemployment Claims, 2) Unemployment Fraud Issues, and 3) Indianapolis Government Center Re-opening date. Mr. Payne started out by welcoming the new Region 8 Board members and recognized the important work that the Regional Workforce Boards provide to the various regions throughout the state.

At the beginning of the year, the Unemployment Insurance (UI) rate was at 3.2% for Indiana. With the onset of Covid-19 around March, the UI rate went up to 16.9% in March and dropped to 12.2% in May. Covid-19 led to a higher UI rate than the 2008 economic recession. Indiana saw UI claims rise to over 139,000 in one week during the month of March at the height of the initial Covid-19 event, but steadily declined to around 23,000 claims in a week in May. Mr. Payne stated Indiana is seeing some economic improvement, particularly in the healthcare and manufacturing sectors with good positive trends.

Mr. Payne stated that IDWD is seeing increased incidents of fraud in UI programs. UI Claims jumped back to 45,000 toward the end of June, but efforts to fight this fraud reduced claims by almost half fairly quickly. Fraud ranges from people filing claims for other people to acquiring stolen information from claimants on the "dark web." Businesses can help with fighting fraudulent activities and Mr. Payne asked each Board member to assist the State by properly reporting suspected UI Claim fraud and effectively communicating with the IDWD.

Mr. Payne stated that he expects the Indianapolis Government Center to fully reopen with proper Covid-19 guidelines in place by August 17th. However, adjustments may be made to this date based on information on the ground and the environment as of that time. Mr. Payne noted that PY'20 funding allocations did not include Covid-19 events and that Indiana saw a slight decrease in overall WIOA funding levels.

Mr. Payne then took questions from a few Board members. Jen Pearl, with the Bloomington Economic Development Corporation, asked how the State budget shortfalls will impact programs. Mr. Payne stated that it will vary from program to program with each area being reviewed, but each agency has been asked to reduce budgets by 9% – 15%. One area that will be impacted is the JAG Program, but DWD will work with all Regions to get recommendations to address any budget shortfalls and make the negative impact to regions as minimal as possible. Kenneth McKee, Director of Human Resources at Boston Scientific, asked if Indiana was looking at a workshare program. Mr. Payne stated not at this time, but could research starting a new program if it is deemed appropriate in Indiana during the next legislative year. Michael Steiglitz, Business Owner, asked what is the penalty for those committing UI fraud and if the State could accept UI information sent in response the first time by employers for workers requesting UI compensation. Mr. Payne stated that Indiana does prosecute UI Fraud claims and if found guilty, requires claimants to repay the funds with interest. As for UI employer responses, DWD does try to streamline the process as much as possible, but it is necessary to communicate back and forth for UI cases based on ongoing information received. Kenneth McKee stated that since his organization is a larger business and UI data actually goes out of state before they see it locally, they often miss the 14-day window to reply to UI employee data requests and asked if that can be addressed? Mr. Payne stated that the correct local addresses can be updated with DWD so the information could be received within the 14-day window. Jen Pearl asked what information is available at all levels about State programs and is that information centrally disseminated. Mr. Payne stated that there is not a whole lot of centralization at this point, but you can visit yournextstep.org to find out quite a bit of information. He also stated that this website is a work in progress, but worth checking out.

Approval of Minutes

Kenneth McKee moved to accept the minutes of the 01/15/2020 meeting of the South Central Region 8 Workforce Board, Inc. Michelle Ellis seconded the motion. All voted in favor and the minutes were approved.

Financial Reports

Carla Crowe with Crowe LLP, the Board's Fiscal Agent, distributed and presented the financial report for the period ending June 30, 2020. Carla reviewed adjustments to the Budget and Expenditures. \$131,500 Disaster Recovery Grants were added to budget. Carla discussed PY'20 funds to include carry-in funds from PY'19 and new allocations for PY'20. Carla explained what carry-in funds were and how that amount is calculated into allocations. She also stated that 20% of total funding is earmarked as carry-in funding for the next program year. Carla stated that the Covid-19 event has caused a decrease in spending of funds as opposed to other program years, but some of the grants have been extended to account for this decrease in spending. Carla

stated that the PY'20 initial budget was approved by Executive Committee on 06/24/2020. Carla noted that 65% of the budget was expended through June 30, 2020.

Shannon Laurent informed the Board that Region 8 would be receiving approximately \$1.5 million for Next Level Rapid Recovery and Employer Training Grant activities as part of Covid-19 economic relief efforts. \$350,000 of this amount will be contracted directly to Vincennes University to deliver services in South Central Indiana. Shannon also informed Board that Region 8 was approved for a \$125,000 DOL Grant for a continuation year to serve Veterans under Priority 1 – Homeless Veterans Reintegration Program criteria.

Vincennes University (Service Provider) will receive \$118,500 for delivery of program services, with \$6,500 contracted with Crowe, LLP, who serves as the Board's Fiscal Agent.

Carla informed the Board that the Tax and Audit Services Contract, currently contracted to Comer & Nowling, expired on June 30, 2019. However, there is a third-year extension option based on operational performance and whether or not all tax and audit functions have been carried out to the satisfaction of the Workforce Board. Rob King stated that Comer & Nowling representatives have performed all duties and functions in a professional and satisfactory manner.

Carla provided the results of the most recent Workforce Board Audit for the year ended June 30, 2019. There were no financial statement findings or federal award findings. Carla stated it was a clean audit.

Michael Steiglitz moved to approve the financial report and budget, third-year option for Comer & Nowling, acceptance of Workforce Board Auditing Report for period ending 06/30/2019, approve funds in the amount of \$350,000 to Vincennes University for Next Level Jobs Rapid Recovery Activities and approve funds in the amount of \$118,500 to Vincennes University for HVRP activities. Brian Shockney seconded the motion. Elizabeth Green abstained from the vote, all other Board members voted in favor and the motion was approved.

Staff to the Board and One-Stop Operator Report

Rob King informed the Board there was an Executive Committee meeting on Wednesday, June 24th via Zoom. Board members Brenda Reetz, Scott Baker, Kenneth McKee and Gene McCracken were in attendance. Staff members Rob King, Shannon Laurent and Fiscal Agent representative, Carla Crowe, were also in attendance. Items discussed at the meeting included 1) Financial Reports and PY'20 Allocations; 2) Covid-19/Rapid Recovery Grants; and 3) Election of Officers for upcoming program year.

Election of Officers

Rob King discussed election of Board officers for PY'20 and advised that PY'19 officers agreed to maintain their current roles if no other Board members expressed interest in serving as an officer. As there were no new nominations for Board officers, Rob recognized the current officers

as follows: 1) Brenda Reetz to remain as Board Chair, 2) Scott Baker to remain as Vice-Chair, and 3) Kenneth McKee to remain as Secretary.

Michael Steiglitz moved to approve all Board Officers to retain their current roles for PY'20. Jason Flinn seconded the motion. All voted in favor and the 2020-2021 Board Officers were approved.

WorkOne Report

The WorkOne report was distributed to the Board for review. Shannon Laurent highlighted the report. Shannon provided information on several topics including: 1) Covid-19 Regional Update; 2) Regional County Unemployment Rates; 3) Unemployment Insurance Claims; 4) HVRP Update; and 5) Next Level Jobs Rapid Recovery Grants. As part of the NLJ – Rapid Recovery efforts, Shannon informed Board that Region 8 has been awarded \$582,000 in Workforce Training Funds to support training costs, required classroom supplies and work experience wages. Shannon also stated that Region 8 was awarded \$944,000 for the Employer Training Grant Funds to reimburse employers for training new employees and/or upskilling of incumbent workers.

A copy of the complete WorkOne August 2020 Region 8 Report is available on the South Central Region 8 Workforce Board's website at www.southcentral8.org.

Workforce Board Meeting Dates (2020-2021)

Rob King provided Board members with upcoming Workforce Board meeting dates as follows:

- October 28, 2020
- February 24, 2021
- June 23, 2021

Region 8 Request for Proposal

Vincennes University staff exited Zoom meeting for this discussion. Carla Crowe discussed upcoming Region 8 Request for Proposal (RFP) for Staff to the Board, One-Stop Operator and Service Provider for Program years 2021 through 2025. Carla discussed announcement of RFP and associated deadlines for submission, review and selection.

Other Business – Public Comments

With no further business, Brian Shockney made a motion to adjourn, Scott Adams seconded the motion. All voted in favor of the motion and the meeting was adjourned.

The meeting adjourned at 1:30 PM

Prepared By: Rob King