

**UPSTATE WORKFORCE INVESTMENT BOARD
FUNDING OVERSIGHT COMMITTEE MEETING**

March 5, 2013

8:30 a.m.

WIB CONFERENCE ROOM

Members Present:

Mr. Bill Brasington
Ms. Betty Guzzo
Ms. Jennie Thomas
Mr. David Wall, Chairman
Ms. Martha Young

WIB Staff Present:

Ms. Brenda Connelly, One Stop Services Coord.
Ms. Elaine Taylor, Finance Assistant
Ms. Natalia Valenzuela, Associate Director
Ms. Dana Wood, Program & Project Manager

Members Absent:

Ms. Libbie Cheek
Mr. Jim Cook
Ms. Lisa Morris
Mr. Michael Perry

Mr. David Wall, Chairman, called the Funding Oversight Committee Meeting to order at 8:30 a.m.

The Committee reviewed the minutes for October 30, 2012, November 7, 2012 and January 8, 2013. Mr. Bill Brasington made a motion to accept all minutes, and Ms. Jennie Thomas seconded the motion. There were no abstentions, and the motion carried.

Mr. Wall stated that the Committee has asked Ms. Natalia Valenzuela to schedule the Funding Oversight Committee meetings to be more closely aligned with the scheduled Upstate WIB Board meetings so that needed discussions would be more consolidated and the Committee would not have back-to-back meetings before the full Upstate WIB Board meetings.

Review of Year-to-Date Reports

Mr. Wall continued with the next item on the agenda and the review of the year-to-date reports. Ms. Brenda Connelly explained that the Committee might have some questions concerning the Arbor E&T d/b/a ResCare Workforce Services report because there were some expenditure rates above the fifty percent mark. She stated that several of the expenditure rates would be affected by the pending modification that was already approved by the Upstate WIB Board but was still out for signature. Arbor E&T d/b/a ResCare Workforce Services is not permitted to make the changes on the budget until receipt of the signed modification. However, she explained that one line item that would not be affected by the pending modification was the Travel Out of Town line item, and she stated that another modification would be requested. It was getting close to the end of the year and Arbor E&T d/b/a ResCare Workforce Services would be looking more closely at their budget adjustments. Ms. Connelly added that Ms. Rochelle Brown would be going to Texas and Kentucky for necessary training, and would need funds for those trips.

Ms. Valenzuela also added that there was still no progress in the Resource Sharing Agreement (RSA) negotiations and no funds had been received from the South Carolina Department of Employment and Workforce (SCDEW). Ms. Connelly reminded the Committee that the RSA amount to be reimbursed by

SCDEW would be around \$361,000 (an amount that would be reflected on the reports once the grant modification was signed and completed). She also noted that SCDEW had stated that delayed payment would not happen again this year like it did last year; however, it was almost near the end of the year and there were still no payments.

The Rapid Response grants expenditures were also discussed, and Ms. Connelly explained that these grants are all tied to training. Mr. Brasington asked if activities and training were scheduled with all of these grants, and Ms. Connelly affirmed that they were. Ms. Betty Guzzo noticed that Green River Cabins' end date would be April 30, 2013 and there were no expenditures to date. Ms. Connelly explained that she would talk with Ms. Johnnie-Lynn Crosby about the grant. She added that training was scheduled for the grant and, in fact, training was always scheduled before the grants were approved. She also stated that modifications were usually requested to extend the dates, if the grants would not be expended by the end date.

Youth Grants

Ms. Valenzuela noted that the youth grants were on track with expenditures. She added that the Request for Proposal (RFP) was also out, and the Upstate WIB should know by the end of the week who will be applying.

WIB Office

As Ms. Valenzuela proceeded with the Upstate WIB office budget, she noted that there may be questions due to the percentages on some line items. She added that the Upstate WIB staff was requesting budget modifications for some of the line items. It was noted that the Van Usage line item was at one hundred and thirty eight percent. Ms. Valenzuela explained that when the Funding Oversight Committee approved to move \$2,800 from the Staff Travel/Mileage line item into the Van Usage line item at the last meeting, there were a couple of mileage reimbursements that had not been submitted. Therefore, when the request was made to the county (after the Upstate WIB Board meeting), there was only \$2,700 in Staff Mileage. She stated that she did not make the change at that time and instead was now making a request to move only \$500 from Staff Travel/Mileage into the Van Usage line item. Additionally, she requested to move \$1,500 from the Miscellaneous Expense, \$500 from Consulting Services, \$500 from Equipment Expense/Repair, and \$1,000 from Sponsorships into the Van Usage line item, for a total of \$4,000. To date, the report showed that the WIB office had used \$3,323 through January 31, 2013. With \$4,000 added to the Van Usage line item, expenditures should be covered for the rest of the year. Mr. Brasington asked for further clarification and whether \$2,700 was moved after approving the \$2,800 at the last Committee meeting. Ms. Valenzuela stated that the amount had not been moved. Mr. Brasington then asked if now the amount to be moved would be \$4,000. Ms. Valenzuela confirmed that to be correct.

Mr. Brasington commented that the one line item that he wanted more information about was the Temporary Help line item. Ms. Valenzuela stated that she was also requesting to have the Committee approve moving \$20,000 from the Salaries/Fringe/Indirect line item, which is the county salaries, into the Temporary Help line item. She added that she had estimated the remaining expenditures for the year, based on what the county charges every month on salaries, and confirmed with the county that \$20,000 would be available for the remaining months. Mr. Brasington asked if the reason the Upstate WIB still used temporary help was because the county was not letting the Upstate WIB hire people. Ms. Valenzuela stated that there were still two staff people that were temporary help, the Upstate WIB only had one slot at the county, and the county had a freeze on any new slots. Mr. Brasington asked if there was any indication of when that might change. Ms. Connelly stated that with the sequester, Ms. Ann Angermeier was expecting a reduction of maybe six and one half percent, although that was only a guess.

Mr. Wall asked for a motion to approve moving the \$20,000 from the Salaries/Fringe/Indirect line item to the Temporary Help line item. Ms. Martha Young made a motion to approve, and Ms. Jennie Thomas seconded the motion. The motion carried with no abstentions.

Mr. Wall also asked for a motion to approve moving \$4,000 from Staff Travel/Mileage, Miscellaneous Expense, Consulting Services, Equipment Expense/Repair, and Sponsorships into the Van Usage line item. Ms. Thomas made a motion to approve the move, which was seconded by Ms. Guzzo. With no abstentions, the motion carried.

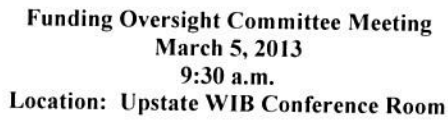
Ms. Valenzuela asked if there were any other questions with the Upstate WIB budget. Ms. Guzzo asked if the \$10,000 expenditure shown on the report in the Youth Grants was for computers for the ACHIEVE computer lab. Ms. Valenzuela stated that the funds were for the computer lab.

Mr. Wall also noted that there were new tires put on the vans, which was part of the reason for the high expenditures. Ms. Valenzuela confirmed that there were new tires put on one van early in the year, and just recently on the other van. She added that Ms. Angermeier had asked her to check with the county about whether it would be more feasible to get rid of the vans, due to high maintenance and high mileage, and just get one newer van. Ms. Guzzo asked how many miles were on the vans. Ms. Connelly stated that the gold van, which was a 1996 model Dodge Caravan, had 65,000 miles and the other van had close to the same mileage.

Other Business

Ms. Valenzuela asked if the Committee would like to have all future meetings at 8:30 a.m. and everyone agreed that it would be a good time to meet. The next meeting was scheduled for April 30, 2013.

With no further business, the meeting was adjourned at 9:35 a.m.

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Funding Oversight Committee Meeting

Date: March 5, 2013

Time: 8:30 a.m.

Location: Upstate WIB Conference Room

AGENDA

- I. Welcome David Wall
- II. Approval of Meeting Minutes Committee
- III. Review of Year-to-Date Reports David Wall & Natalia Valenzuela
 - A. Arbor – Regular Formula Funds (Brenda Connelly)
 - B. Arbor – Special Grants
 - C. Youth Programs
 - D. WIB Office
- IV. Committee Approval of Budget Change Requests Natalia Valenzuela
 - A. WIB Office
 - a. Temp Help: Move \$20,000 from the Salaries/Fringe/Indirect line item to the Temp Help line item.
 - b. Van Usage: Move \$500 from Staff Travel/Mileage, \$1,500 from Miscellaneous Expense, \$500 from Consulting Services, \$500 from Equipment Expense/Repair, and \$1,000 from Sponsorships into the Van Usage line item (\$4,000).
- V. Other Business David Wall

Adjournment

Next Meeting: April 30, 2013

PY12
ResCare Workforce Services

Expense	TOTAL				Current %	58%
	thru January 31 Expenditures		Budget		Variance	% of Budget
Salaries	\$	415,014.05	\$	769,853.00	\$ 354,838.96	53.91%
Fringes	\$	96,548.31	\$	205,790.00	\$ 109,241.69	46.92%
Temp Help	\$	-	\$	-	\$ -	0.0%
Dues/Professional	\$	600.00	\$	600.00	\$ -	100.0%
Mileage	\$	5,497.71	\$	8,500.00	\$ 3,002.29	64.68%
Professional Development	\$	-	\$	3,000.00	\$ 3,000.00	0.0%
Travel Out of Town	\$	1,074.96	\$	1,075.00	\$ 0.04	100.0%
Training	\$	282,246.94	\$	525,001.00	\$ 242,754.06	53.76%
Office Supplies	\$	13,120.05	\$	17,000.00	\$ 3,879.95	77.18%
Ad Promo	\$	289.00	\$	1,500.00	\$ 1,211.00	19.27%
Printing Supplies/Copier	\$	2,582.20	\$	6,500.00	\$ 3,917.80	39.73%
Postage	\$	1,610.98	\$	3,000.00	\$ 1,389.03	53.7%
Rent/Facilities Cost	\$	68,508.84	\$	139,592.00	\$ 71,083.16	49.08%
Consulting Services	\$	1,196.18	\$	6,300.00	\$ 5,103.82	18.99%
Telephone/Data	\$	16,600.25	\$	24,559.00	\$ 7,958.75	67.59%
Electric/Utilities	\$	13,841.01	\$	18,300.00	\$ 4,459.00	75.63%
Miscellaneous Expense	\$	9,011.28	\$	20,000.00	\$ 10,988.72	45.06%
Special Projects/Supportive Services	\$	13,138.75	\$	30,000.00	\$ 16,861.25	43.8%
Computers & Software	\$	5.93	\$	4,500.00	\$ 4,494.07	0.13%
Miscellaneous Equipment	\$	-	\$	-	\$ -	0.0%
Indirect	\$	65,970.18	\$	125,713.00	\$ 59,742.82	52.48%
Profit	\$	54,427.53	\$	103,717.00	\$ 49,289.47	52.48%
Total Expense	\$	1,061,284.14	\$	2,014,500.00	\$ 953,215.87	52.68%
Non-WIA RSA Reimbursements			\$	164,500.00	\$ 164,500.00	0
Total WIA Expense			\$	1,850,000.00	\$ 1,850,000.00	0

PY12
Arbor Grants

Arbor	<u>thru JANUARY</u> <u>2013 Expenditures</u>	<u>Budget</u>	<u>Variance</u>	<u>% of Budget</u>
OJT (CLOSED)	90,000.00	90,000.00	0.00	100.0%
RAPID RESPONSE IWT #2 Santuc (7/31/2013)	24,075.00	41,580.00	17,505.00	57.9%
RAPID RESPONSE IWT #04 SC Tool (12/31/2012) (CLOSED)	39,587.78	41,126.00	1,538.22	96.26%
RAPID RESPONSE IWT #03 Tool Tech (6/30/2013)	4,060.00	37,190.00	33,130.00	10.92%
RAPID RESPONSE IWT #08 Advance Mfg. (3/31/2013)	7,157.00	25,300.00	18,143.00	28.29%
RAPID RESPONSE IWT #07 Green River Cabins (4/30/2013)	0.00	44,500.00	44,500.00	0.0%
11RRA03 - Financial Workshops (CLOSED)	7,220.00	7,600.00	380.00	95.0%
RAPID RESPONSE IWT #1 A. Berger, Inc. (3/31/2013)	18,662.50	24,400.00	5,737.50	76.49%
 Total Arbor Special Grants	 190,762.28	 311,696.00	 120,933.72	 61.2%

Youth Grants

Current % 58%

Youth	thru JANUARY 31				Current %	58%
	Expenditures	Budget	Variance	% of Budget		
Spartanburg School District 6	\$ 221,073.00	\$ 491,181.00	\$ 270,108.00	45.01%		
USC Upstate Achieve	\$ 194,021.75	\$ 375,361.00	\$ 181,339.25	51.69%		
Total Youth WIA grants	\$ 415,094.75	\$ 866,542.00	\$ 451,447.25	47.9%		

Current %	58%
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Current %							58%	
Expense	thru January 31, 2013	Regular		Incentive		Total Budget	Variance	% of Budget
		Formula Funds	Incentive Grant 11INC	Incentive Grant 11HPW				
Salaries/Fringe/Indirect	\$ 216,079.56	\$ 420,890.00				\$ 420,890.00	\$ 204,810.44	51.34%
Consumable Supplies/Office Supplies	\$ 4,669.95	\$ 5,000.00	\$ 6,000.00			\$ 11,000.00	\$ 6,330.05	42.45%
Communications/Telephone	\$ 7,586.65	\$ 4,000.00	\$ 9,000.00			\$ 13,000.00	\$ 5,413.35	58.36%
Postage	\$ 335.84	\$ 1,080.00	\$ 180.00			\$ 1,260.00	\$ 924.16	26.65%
Staff Travel/Mileage	\$ 991.24	\$ 3,000.00	\$ 900.00			\$ 3,900.00	\$ 2,908.76	25.42%
Miscellaneous/Misc Expense	\$ 2,345.83	\$ 2,400.00	\$ 13,600.00			\$ 16,000.00	\$ 13,654.17	14.66%
Professional Development	\$ 9,435.02	\$ 6,600.00	\$ 13,600.00			\$ 20,200.00	\$ 10,764.98	46.71%
Facilities Cost (Rent, utilities)/Rent	\$ 19,499.70	\$ 47,444.00				\$ 47,444.00	\$ 27,944.30	41.10%
Sponsorships, memberships/Dues-Professional	\$ 544.80	\$ 3,600.00	\$ 2,370.00			\$ 5,970.00	\$ 5,425.20	9.13%
Copier	\$ 2,454.06	\$ 3,000.00				\$ 3,000.00	\$ 545.94	81.80%
Temp Help	\$ 72,214.45	\$ 80,000.00			\$ 10,000.00	\$ 90,000.00	\$ 17,785.55	80.24%
Special Projects	\$ 5,276.00	\$ 12,160.00				\$ 12,160.00	\$ 6,884.00	43.39%
Van Usage/Vehicle Fuel	\$ 3,323.59	\$ 2,400.00				\$ 2,400.00	\$ (923.59)	138.48%
Consulting Services	\$ 265.00	\$ 3,600.00				\$ 3,600.00	\$ 3,335.00	7.36%
Printing	\$ 90.00	\$ 700.00				\$ 700.00	\$ 610.00	12.86%
Non-expendable Equipment	\$ -				\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	0.00%
Equipment Expense/Repair	\$ 85.00		\$ 1,200.00			\$ 1,200.00	\$ 1,115.00	7.08%
Outreach and Recruitment	\$ 4,140.57		\$ 22,100.00			\$ 22,100.00	\$ 17,959.43	18.74%
Workkeys Assessments	\$ -		\$ 550.00			\$ 550.00	\$ 550.00	0.00%
ACHIEVE - Computer Lab	\$ 10,000.00				\$ 10,000.00	\$ 10,000.00	\$ -	100.00%
ACHIEVE - Work Experience & Supp. Services	\$ 1,496.25		\$ 9,250.50			\$ 9,250.50	\$ 7,754.25	16.17%
District 6 - Work Experience & Supp. Services	\$ -		\$ 9,250.50			\$ 9,250.50	\$ 9,250.50	0.00%
	<u>\$ 360,833.51</u>	<u>\$ 595,874.00</u>	<u>\$ 88,001.00</u>	<u>\$ 25,000.00</u>		<u>\$ 708,875.00</u>	<u>\$ 348,041.49</u>	<u>50.9%</u>

**UPSTATE WORKFORCE INVESTMENT BOARD
FUNDING OVERSIGHT COMMITTEE MEETING**

October 30, 2012

WIB CONFERENCE ROOM

9:00 a.m.

Members Present:

Mr. David Wall, Chairman
Ms. Libbie Cheek
Ms. Betty Guzzo

WIB Staff Present:

Ms. Ann Angermeier, Executive Director
Ms. Elaine Taylor, Finance Assistant
Ms. Natalia Valenzuela, Associate Director
Ms. Dana Wood, Program & Project Manager

Members Absent:

Mr. Bill Brasington
Mr. Jim Cook
Ms Lisa Morris
Ms. Jennie Thomas
Ms. Martha Young

Mr. David Wall, Chairman, called the meeting to order at 9:15 a.m.

Committee Review of Program Year 2012 Budgets

The Funding Oversight Committee meeting began with a review of the program year 2012 budgets through September 30, 2012.

Ms. Betty Guzzo asked how the budget would be managed for the line items that are already over 50 percent expended in the first quarter. Ms. Natalia Valenzuela explained that the Upstate WIB office budget is supplemented with two incentive grants. She explained that extra funds in the PY11 Incentive Budget would help cover expenses in the Professional Development line item, which was 65 percent expended, and also in Consumable Supplies, which was 46 percent expended. Additionally, she explained that in the first few months the Upstate WIB and SC Works were sharing the cost of telephone bills. SC Works reimburses the Upstate WIB for their share of the telephone bills. There are also additional funds in the incentive grant for Communications. Furthermore, Ms. Ann Angermeier stated that Spartanburg County is negotiating on phone cost contracts to lower the cost, which could lower the Upstate WIB's expenditures.

Ms. Guzzo asked about the van and fuel expenses. Ms. Valenzuela said she requested that Ms. Angermeier allow her to request a budget modification because that line item was already 57 percent expended. She stated that the Upstate WIB was enforcing the Van Usage policy to use the van rather than personal vehicles. Only \$160 had been spent from the Staff/Mileage line item, so money could be taken from that line item to add to the Van Usage line item. Ms. Angermeier stated that the vans are getting older, therefore creating additional costs. Ms. Dana Wood added that new tires were recently bought for one of the vans.

Ms. Valenzuela provided additional information on the Professional Development line item. She explained that Ms. Angermeier designated a certain amount of professional development money for each employee. Several staff members have spent their portion; therefore, there will not be much more needed from that line item. The

Temporary Help line item was 42 percent expended. Ms. Valenzuela explained that because two employees were moved to the county payroll, the rate of expenditure for the line item will decrease.

Mr. Wall asked why there was spending on the incentive grant and the WIB grant since they were both for the same expenditures. Ms. Valenzuela explained that the incentive grant was issued based on performance. These funds supplement the general WIB office budget. Ms. Angermeier explained that the funds come from different "pots" of money, which is why they are tracked separately. She also stated that incentive grant funds must be spent from the incentive grant within one year. Although internally the Upstate WIB staff will continue tracking funding streams separately, Ms. Angermeier asked whether the committee would like to have the funds combined into one report for their review. The combined report could have different columns showing different grants, as well as the overall total expenditures for each line item. The committee agreed to have the reports revised for future meetings.

The committee then reviewed the Youth Grants. The grant reports showed that Youth Stop was on track with a 16.66 percent expenditure rate. USC Upstate ACHIEVE was behind with an expenditure rate of 2.54 percent. Ms. Valenzuela contacted USC Upstate's finance department to inquire about the low expenditure rates and was informed this was due to the grant being received late and having difficulties setting up an account for staff salaries. They stated that they hoped to show actual expenditures on the next month's invoice.

Ms. Valenzuela then presented the Arbor grants. There were no questions concerning the Rapid Response or Financial Workshop grants. Ms. Valenzuela then presented the budget with expenditures through September 30, 2012. Ms. Guzzo asked for clarification concerning the Professional Development/Dues line item, which was reported at 100 percent expended. Ms. Wood explained that dues are usually paid at the beginning of the year; therefore, there should not be any more expenses for that line item. There were no additional questions or concerns.

Ms. Wood updated the committee on the Resource Sharing Agreement (RSA) with the South Carolina Department of Employment and Workforce (SCDEW). Ms. Wood stated that the negotiations with SCDEW have been ongoing for several months. She explained that both parties were in agreement on all but two items. Ms. Angermeier stated that the Upstate WIB had conceded on several items originally requested, hoping that SCDEW would also concede some requests. Ms. Wood reported that the Upstate WIB concessions eliminated close to \$100,000 from the agreement. However, the Upstate WIB staff plans to fight for profit plus the Regional Business Services Manager's salary, because this position requires functional supervision of several SCDEW staff members' salary. Ms. Wood informed the committee that the Upstate WIB has requested that SCDEW conduct an indirect cost evaluation to compare the indirect cost rates in different workforce investment areas. This request was made because SCDEW is willing to pay indirect cost, but not profit, and the Upstate WIB believes there are local areas with indirect cost rates above 20 percent. Ms. Angermeier stated that SCDEW receives benefits on both profit and supervision given by the Business Services Manager.

Proposed Modification #1

Ms. Wood presented a brief summary of a grant modification that Arbor, E&T d/b/a Rescare Workforce Services planned to present to the committee in the near future. Arbor, E&T d/b/a Rescare Workforce Services plans to request an increase to the Facility Rent line item to include rent for SC Works Union. The rent will cost \$1,500 per month for a total of \$18,000 per year paid to Union County. The building must also have upgrades to be in compliance with ADA requirements.

Arbor, E&T d/b/a Rescare Workforce Services will also request to add a clause in their contract to reflect the new performance measures issued by SCDEW and to define that achieving 80 percent of these goals equals to meeting the goals.

Additionally, Arbor E&T d/b/a Rescare Workforce Services will request to adjust the Greer budget to reflect future plans for Greer, due to that center's July 2012 closure. Ms. Wood stated that the present budget for Greer was \$30,000. When the current budget was created, there was still a possibility of needed funds for Greer. Any unneeded funds will be shifted to cover other expenses, including increasing the Outreach line item, enabling SC Works to promote continued services in Greer. The remaining funds allocated to Greer will be allocated to other line items in the budget, with the committee's approval.

An increase in Dislocated Worker Program funds and a decrease in Adult Program funds will be requested. Since SC Works Upstate staff members have been without pay increases for over four years, Arbor E&T d/b/a Rescare Workforce Services will be requesting a four percent salary increase for critical long-term employees. These pay increases will not affect the salary line item or the overall budget. Ms. Valenzuela added that Arbor E&T d/b/a Rescare Workforce Services was asked to submit a detailed training plan to the Upstate WIB One Stop Services Coordinator explaining how they intend to justify salary increases by augmenting their occupational training numbers.

Ms. Wood reported that Arbor E&T d/b/a Rescare Workforce Services will request the creation and reclassification of several positions. They plan to reclassify the Gaffney Business Service Consultant from part-time to full-time and to create a part-time Business Service Consultant position for Union County. A full-time Facilitator will be added to serve three counties. It was noted that if funds are disallowed for the Facilitator, Arbor E&T d/b/a Rescare Workforce Services will be responsible for those costs. It was also noted that funds for these positions were available due to recently vacated Career Consultant positions.

Ms. Wood stated that the Upstate WIB staff would like to present this modification request at the Upstate WIB Board meeting on Monday, November 19, 2012.

Mr. Wall requested Ms. Valenzuela email the details pertaining to the modification to the committee before the meeting. The committee will schedule a conference call before the next full Upstate WIB Board meeting to discuss the modification and to make a recommendation to the full Upstate WIB Board.

With no further business, the meeting was adjourned at 10:05 a.m.

**UPSTATE WORKFORCE INVESTMENT BOARD
FUNDING OVERSIGHT COMMITTEE MEETING**

November 7, 2012

WIB CONFERENCE ROOM

4:30 p.m.

Members Present:

Mr. David Wall, Chairman

WIB Staff Present:

Ms. Brenda Connelly, One Stop Services Coord.
Ms. Elaine Taylor, Finance Assistant
Ms. Natalia Valenzuela, Associate Director
Ms. Dana Wood, Program & Project Manager

Members Present By Conference Call:

Mr. Jim Cook
Ms. Martha Young

Members Absent:

Mr. Bill Brasington
Ms. Libbie Cheek
Ms. Betty Guzzo
Ms. Lisa Morris
Mr. Michael Perry
Ms. Jennie Thomas

Mr. David Wall called the meeting to order at 4:35 p.m.

Committee Review and Approval of ResCare Proposed Modification

Ms. Brenda Connelly informed the Committee of the various reasons for the proposed modification: 1) when the original budget was submitted the Union rent agreement was not settled, therefore, it was not added to the budget; 2) the Resource Sharing Agreement (RSA) negotiations had not begun so that amount was roughly estimated and needed to be reflected more accurately; 3) there were SC Works staff vacancies which needed review.

Ms. Connelly stated that the first item to review would be that of salaries. She said that in the previous Committee meeting there was discussion about a four percent increase for some critical SC Works staff positions. At the end of that meeting only two percent was discussed. An email was distributed about that conversation to each Funding Oversight Committee member. The email from Ms. Rochelle Brown was a justification for the request of a four percent increase in salaries for the purpose of retention of staff. The staff has not had an increase in salary for several years. The ResCare healthcare has gone up 40 percent monthly for the employees.

In addition to the increase in salary, Ms. Connelly stated another item that needed to be reviewed. There were two new employee positions that Arbor E&T d/b/a Rescare Worforce Services was requesting. These included a part-time Business Services Consultant for the Union office and an Intensive Services Coordinator for the Spartanburg office. She noted that the WIA budget amount would not be changed. The funds would just be moved between line items. Also, the training expenses would not be decreased due to these changes. In fact, the training funds would be increased.

. Jim Cook requested further explanation to show where the reductions would take place in the budget. Ms. Dana Wood explained that the main reduction was from the offset of the Resource Sharing Agreement (RSA). A lot of the WIA funds are cost shared. This freed up about \$187,000 of WIA funds.

Mr. Cook stated that he had no problem with a four percent raise. He stated that it was hard to keep employees without a raise in four years. He asked how it would be done without decreasing the value of the services provided by Arbor E&T d/b/a Rescare Worforce Services. Ms. Connelly continued and stated that Arbor E&T d/b/a Rescare Worforce Services was able to make these changes without increasing the WIA budget, which was commendable.

Ms. Natalia Valenzuela informed the Committee that she had asked for a report of all people in training, since that was part of the reason presented by Ms. Brown for the four percent raise. Ms. Valenzuela explained that the report showed that as of October 31st, there were only 79 people in training. This was a concern for both she and Ms. Ann Angermeier. Ms. Valenzuela stated that Arbor E&T d/b/a Rescare Worforce Services's proposed modification showed an increase to the funds for training, but the report showed that there was currently a low number of participants in training, which was a concern. Ms. Valenzuela and Ms. Angermeier would like to request a plan on how they will increase training numbers. The recommendation from Ms. Valenzuela and Ms. Angermeier was a two percent increase in salary. She did note, however, that the actual percentage was for the Committee to decide. She said that the numbers would be looked at again in January and compared to the plan for increasing participants in training.

Ms. Martha Young asked what the target for training was, since 79 participants sounded like a lot to her. Ms. Wood said the numbers vary from year to year. The current case load average was just a little over one hundred per workforce specialist, and there were between eight and nine workforce specialists. Ms. Wood asked if the training numbers on the report were totals since July or if they were numbers reflecting participants currently in training. Ms. Wood said it might not reflect a true account. She would like to see a report showing participants who have received training from the beginning of the program year to present. Additionally, Ms. Wood said that there was an internal goal set to have 42 percent of clients in training by the end of the program year.

Ms. Valenzuela already requested a report showing how many participants were trained last year and would like to compare it to the current program year. Mr. Wall suggested that a fair comparison be made before deciding on the percentage. Ms. Valenzuela stated that this part of the modification could be taken off from the current modification proposal, until additional reports and comparisons are made. Ms. Valenzuela stated that a report could be given to the Committee in the next week, but that it might be difficult to hold another Committee meeting before the full Board meeting later in the month. Ms. Young asked when Ms. Brown would like the increase to take place. Ms. Valenzuela stated that it was requested immediately. If this portion of the modification was removed, it would be January before the change could be made again, since it would have to be approved by the Upstate WIB Board first.

Mr. Cook asked why Ms. Valenzuela and Ms. Angermeier suggested a two percent increase rather than a four percent increase and whether it was because of the performance. Ms. Valenzuela stated that it was because both she and Ms. Angermeier would like to see higher numbers in training. Mr. Cook said that it was not good for morale of the employees not to have had a salary increase in four years. Mr. Wall stated that Arbor E&T d/b/a Rescare Worforce Services had lost several people because of the pay.

Ms. Young said the Committee should approve the four percent increase but obtain the data to show what they had been doing. Mr. Wall asked whether the Committee wanted to make the recommendation for a two percent increase now, and once the Committee had the numbers to justify a four percent increase, the Committee could take action at that point. Ms. Young stated that there may be additional information from Ms. Angermeier that could provide additional reasoning for the two percent increase versus four percent. However, as she saw the situation, she was in agreement to grant the four percent increase.

Mr. Cook also said that he is in favor of the four percent increase, since it has been so long since there had been a raise, and a four percent increase averages to about one percent for every year (since they had not had a raise in four years), and by the time it is taxed, that will not be a lot of money.

Ms. Wood stated that the reason for the proposed salary increase was retention based and was not intended to be performance based, but that it seemed to be evolving into more performance based tied into the training numbers. Mr. Cook agreed.

Mr. Wall recommended that the Committee agree to give a two percent increase for the coming Upstate WIB Board Meeting, while also having WIB staff conduct additional investigation to compare the training numbers with the numbers that the WIB staff would like them to be at any given point. Additionally, he recommended that the Committee revisit it again for the next Upstate WIB Board meeting, after the first of the year, to award the remaining two percent.

Mr. Cook said that the recommendation was a compromise; however, he still questioned the reason for the proposed raise, and whether it was for cost of living or for performance. He said that his understanding from what was presented was that Arbor E&T d/b/a Rescare Worforce Services was asking for the raise due to cost of living. Ms. Connelly also pointed out that it should not be called performance based since Arbor E&T d/b/a Rescare Worforce Services has exceeded performance every year. Ms. Wood gave a quick summary of the performance measures used to determine if the contractors met or exceeded performance. Ms. Valenzuela said that another point to consider in deciding on the raise is a comparison of funds spent on staff salaries versus funds spent on training participants.

Mr. Cook said he supported the four percent raise, but wanted to keep them accountable to increase their training numbers. Mr. Wall said that, on the other hand, he also understood the position of Ms. Angermeier and Ms. Valenzuela.

Mr. Wall requested that the additional reports and data be sent to each Committee member to review. Subsequently, a poll vote could be made via email since there would not be time for another meeting before the next Board meeting. It would then be presented to the Board on the 19th of November. Mr. Cook stressed the importance that all nine Committee members review the information that would be sent.

Mr. Wall then asked about the two new positions proposed and whether their salaries included the increase. Ms. Wood explained that only the long term staff members were eligible for the increase. All Committee members present agreed on the new positions.

With no further discussion concerning the salaries or positions, Ms. Connelly went on to explain the performance measures. She stated that the performance measures were modified to reflect the new numbers given to SCDEW; additionally, the grant needed a statement explaining that attaining 80 percent of the goal was the equivalency of meeting the goal. She stated that Upstate WIB staff members were encouraging contractors to strive for results about 80 percent, but the Upstate WIB realizes that 80 percent is extremely high. All were in agreement.

The Committee also discussed the other line items. The Committee decided to remove the Training Supplies line item since there were no funds budgeted for it. Additionally, the cost of supplies was grouped into Instructional Training.

The budget modification proposal, with the exception of the salary increase, was agreed upon. There were no abstentions.

With no further business, the meeting was adjourned at 5:35 p.m.

**UPSTATE WORKFORCE INVESTMENT BOARD
FUNDING OVERSIGHT COMMITTEE MEETING**

January 8, 2013

9:00 a.m.

WIB CONFERENCE ROOM

Members Present:

Mr. Bill Brasington
Mr. Jim Cook
Ms. Betty Guzzo
Ms Lisa Morris
Ms. Jennie Thomas
Mr. David Wall, Chairman

WIB Staff Present:

Ms. Ann Angermeier, Executive Director
Ms. Brenda Connelly, One Stop Services Coord.
Ms. Elaine Taylor, Finance Assistant
Ms. Natalia Valenzuela Associate Director
Ms. Dana Wood, Program & Project Manager

Members Absent:

Ms. Libbie Cheek
Mr. Michael Perry
Ms. Martha Young

Mr. David Wall, Chairman, called the Funding Oversight Committee Meeting to order at 9:05 a.m.

Review of Year-to-Date Reports

The Arbor E&T d/b/a/ Rescare Workforce Services regular formula funds through November were reviewed. Ms. Natalia Valenzuela asked if there were any questions concerning the budget report. Mr. Wall asked what percentage of the budget should have been expended by November. Ms. Valenzuela stated that the budget expenditures should be at 40 percent, and Mr. Wall replied that at 40.01 percent, expenditures seemed to be on track. Ms. Betty Guzzo mentioned that the Office Supplies line item was 65.41 percent expended already. Ms. Valenzuela explained that some of those charges were shared charges that would be reimbursed once the Resource Sharing Agreement (RSA) was settled. Mr. Wall clarified that the Professional Dues line item, which was at 100 percent expenditure, was because dues are mostly paid at the beginning of the year. Mr. Wall noted that the Telephone and Electric Line items were higher, but Ms. Valenzuela explained that those are also shared costs. Mr. Jim Cook asked if that meant that these items would be adjusted throughout the year as the Upstate WIB is reimbursed from the South Carolina Department of Employment and Workforce (SCDEW). Ms. Valenzuela affirmed that the line items would be adjusted.

Mr. Wall asked on the status of the RSA negotiations with SCDEW. Ms. Valenzuela answered that there was no additional progress with SCDEW and that the Upstate WIB was in communication with the Department of Labor (DOL) to mediate. Ms. Dana Wood stated that DOL received an email on December 18th and acknowledged receipt of her email, responding that they would be in touch soon. Ms. Wood felt that now that the holidays were over, DOL would communicate again shortly.

The Committee also reviewed the Arbor E&T d/b/a/ Rescare Workforce Services Rapid Response Grants. Mr. Wall asked if the dates showing on the reports were the dates by which the funds should have been used. Ms. Valenzuela affirmed, saying the dates were the end dates. She explained that she was still waiting on the

December reports, which may show additional expenditures, and Ms. Brenda Connelly explained that the Upstate WIB was waiting on modifications to some of the grants as well. These modifications would extend some of the end dates. Ms. Connelly explained that there are instances where the training is completed in one month, so the money would all be spent in that month. Mr. Wall asked if these modifications are something that comes before the Funding Oversight Committee or before the Upstate WIB Board. Ms. Dana Wood explained that SCDEW extends those requests and the modifications do not need Committee or full Upstate WIB Board approval. The Committee had granted the Upstate WIB staff authority to execute these grants at an earlier meeting.

Youth Grants

The Committee continued the review with the Youth Program grants. Mr. Wall questioned ACHIEVE's expenditure being at 18.45 percent. Ms. Valenzuela stated that she was still waiting on the December reports to know whether the salaries, as discussed in the last meeting, were showing on ACHIEVE's reports. The December reports should be out the following week.

WIB Office

Ms. Valenzuela noted that at the last meeting, the Committee requested that funds from different grants all be listed on the same report, and she explained that this had been done on the report. Mr. Wall asked what the 11INC and 11HPW stood for, and Ms. Ann Angermeier explained that 11INC was the Incentive Grant and 11HPW was for the High Performance award of \$25,000. Mr. Wall thanked Ms. Valenzuela for changing the report. Mr. Wall noticed that the Temporary Help line item was high. Ms. Valenzuela stated that the Temporary Help line item would be slowing down a lot because of two employees who were able to go on County Payroll. Mr. Bill Brasington asked if Ms. Valenzuela could also add what the ideal expenditures to date should be on the reports. Ms. Valenzuela agreed to do that for the next reports.

Committee Approval of Budget Change Requests

Ms. Valenzuela stated that there were some requests for changes to the Arbor E&T d/b/a/ Rescare Workforce Services Budget and the Upstate WIB office budget. She explained that Upstate WIB would like to add \$20,000 to the Arbor E&T d/b/a/ Rescare Workforce Services budget for Outreach and Promotion so that Arbor can do radio ads and billboard ads to help with recruitment when businesses need to do recruitment. The funds would be used as ResCare would like to use them, but only for Outreach and Promotion. Mr. Wall asked where this money would be coming from, and Ms. Valenzuela replied that it was money that was not obligated at the beginning of the year. Ms. Angermeier stated that when SC Works moves to the Evans Building, there would be a need for notices in the newspaper to let the public know of the move. Ms. Brenda Connelly added that the SC Works telephone numbers would change with the move to the Evans Building, and that would also need to be advertised.

Mr. Wall stated the need for a vote on adding \$20,000 to the Arbor E&T d/b/a/ Rescare Workforce Services Budget for Outreach and Promotion. Mr. Jim Cook made a motion to add the funds, and Ms. Jennie Thomas seconded the motion. There were no abstentions, and the vote carried.

Ms. Angermeier asked if there was money in Arbor E&T d/b/a/ Rescare Workforce Services's budget for all the changes that would be necessary to the letterhead and other items. Ms. Wood stated that she thought there were funds in the office supply budget. She also stated that business cards were ordered through SCDEW so they are at a reduced rate. However, Ms. Wood said that she would need to call SCDEW and ask if Arbor E&T d/b/a/ Rescare Workforce Services was required to use them for ordering business cards. She said that it might be better to order from a different company since they would be ordering in bulk.

The next request for change as shown on the agenda was for \$35,750 for IT charges related to the Evans Building move. However, Ms. Valenzuela stated that Ms. Wood had met with Ms. Rochelle Brown the day before and had informed Ms. Valenzuela that the numbers were different. Ms. Wood explained that total IT costs were estimated at \$65,490.70. All of these charges would be shared with SCDEW. She noted that the report handed out showed the total costs with other expected expenditures and also showed the WIA cost and SCDEW cost. The estimated costs for SCDEW for the move was about \$43,564.14 of the \$95,850.70 total cost (including the \$65,490.70 for IT costs) of the move while those for SC Works would be \$52,286.56. She noted the requests by Arbor E&T d/b/a/ Rescare Workforce Services for additional computers, computer tables, chairs, and signage. She said that WIA was able to get some cubicles for free from Extended Stay when they moved their corporate office. She said there could be other expenses as the move got closer.

Ms. Wood explained that the goal was to be in the new building by June 30, 2013, which is when the lease ends in the existing space. She noted that so far everything was on schedule, but it was important to go ahead and have the money moved in order to start paying for the necessary changes now.

Mr. Cook asked about the amount showing on the agenda which was \$35,750. Ms. Valenzuela replied that this amount changed at the last minute due to the meeting held the day before. She said that the actual amount was \$95,850.70. Mr. Wall said that part of that would be reimbursed by SCDEW. Ms. Angermeier stated that it had to be spent before they actually paid it back. She noted that the Upstate WIB might not get the money back until after June 30, 2013.

Mr. Wall asked if the vote needed was for the full \$95,850.70 or part of the amount. Ms. Angermeier explained that a vote was necessary for the full amount with the understanding that SCDEW would be paying back their share. She also stated that the Upstate WIB would require a signed agreement before SCDEW can move into the building.

Ms. Angermeier asked if ACHIEVE was going to move into the new Evans Building and Ms. Wood stated that there were still negotiations with ACHIEVE.

Mr. Bill Brasington made a motion to move the money into Arbor's budget, seconded by Mr. Jim Cook. With no abstentions, the motion carried.

The next request for change was to the WIB office budget. Ms. Valenzuela stated that this was just moving money between line items. She said that the Upstate WIB would like to move \$2,800 from the Mileage line item to the Van Usage line item. The Mileage line item was now only at a four percent expenditure but the Van Usage was already at 76 percent. She noted that Fleet Services had just informed the Upstate WIB that new tires would be needed soon on one of the vans. Mr. Wall remembered that, during the last meeting, the Committee discussed using the vans more instead of using personal vehicles.

Mr. Cook made a motion to accept moving \$2,800 from the Mileage Line item into the Van Usage line item. Mr. Brasington seconded the motion. With no abstentions the motion carried.

The next request for change was for moving \$6,167 within the 11INC03 grant, which was originally allocated for Henkels & McCoy, to be split evenly between both of the current Youth Programs (\$3,083.50 for each program), because the Henkels & McCoy program no longer exists. This money would be used for work experience and supportive services.

Ms. Jennie Thomas made a motion to move the incentive grant money. Mr. Brasington seconded the motion. With no abstentions, the motion carried.

With no further business, the meeting was adjourned at 9:30 a.m.