

SkillSource Regional Workforce Board

Meeting Minutes

November 28, 2023

Via Web Video Conference

Moses Lake, Wenatchee & Omak

Roni Holder-Diefenbach, Board Chair, called the meeting to order at 5:32 pm.

September 26, 2023 Board Meeting Minutes

Zach Williams made a motion, and Augustine Gallegos seconded to approve the minutes for the September 26, 2023 Board Meeting. Motion passed.

2023 Auditors' Report and IRS Form 990 Review

Lisa introduced Sean Patton of Cordell, Neher & Company, who presented the audit report and IRS Form 990 for 2022-2023. He remarked that he has reviewed the auditors' report and Form 990 in depth with the Audit Committee.

Sean introduced the audit team, including CPAs Jennifer Babcock and Cindy Ulrich. He described the scope of services during the audit and summarized the audit process. He outlined several areas of audit emphasis, including major program compliance, internal controls, revenue and accounts payable, operating expenses, and cost allocation methodology. The audit concluded with unmodified opinions (the highest possible outcome) for internal control, compliance with government auditing standards, and compliance with each major federal program. Sean remarked that the financial reports shown at each board meeting were found to be completely accurate during the audit. There were no difficulties, uncorrected or corrected misstatements, or disagreements with management required to be communicated to the board, and the auditors did not identify any deficiencies in internal control that they consider to be material weaknesses. Cordell, Neher & Company will issue their independent auditors' report dated November 28, 2023, after approval by the Board of Directors at this meeting. Roni and Lisa thanked Sean and his team on behalf of the board.

Tom Legel made a motion, and Augustine Gallegos seconded to approve the 2022-2023 auditors' report as presented by Cordell, Neher & Company. Motion passed.

Sara Thompson Tweedy made a motion, and Zach Williams seconded to approve the 2022-2023 IRS Form 990 as presented by Cordell, Neher & Company. Motion passed.

Director's Report

Lisa summarized her report. She called attention to the officer elections to take place at the end of the board meeting and thanked Roni and Michelle for their service as chair and vice chair. She briefly explained the RFQQ for a procurement manager for career service providers in Chelan, Douglas, Grant and Adams counties. Zach and Tom volunteered to serve on the committee for the procurement manager; Lisa asked for one more board member to serve. Roni said she would serve on the committee.

Lisa summarized the upcoming WWA legislative day and their agenda; the state monitoring visit in October; and the annual requirement for board members to sign conflict of interest forms. Lisa said she will send a DocuSign conflict of interest document for all board members to complete.

Lisa also thanked Tad Hildebrand for presenting at the Central Washington Business Services Summit, Roni Holder-Diefenbach for presenting at the WWA conference, and Ryan Beebout for offering to lead a tour of the Sabey Data Center in East Wenatchee on December 4th. She also thanked Nate Mack for attending the WWA conference. He said it was great getting to know staff that attended and he'd do it again.

She informed the board of the recognition banquet on March 15th, 2024 and the NAWB conference March 23-26. She also called attention to SkillSource's recognition as a best practice program at the 2023 Open Doors Summit in Seattle. Susan gave the group a brief explanation of the history and purpose of the SkillSource Open Doors program, which re-engages dropout youth for credential completion and career readiness.

Lisa asked Aaron and Joe to summarize progress made on the strategic plan thus far. Aaron told the board members that the community survey has, as of today, received 71 responses over the past two weeks. This means that some useful data has begun to emerge. Aaron reported that he is primarily responsible for the regional analysis that starts the strategic plan narrative. While the state template for this analysis may be answered by some commonly used metrics, Aaron is looking at other metrics which may show different sides of the same issue. For example, he gave a presentation showing how he is supplementing poverty rate analysis with another metric referred to as ALICE (Asset Limited, Income Constrained, Employed) which measures "working poor" residents. This metric has been rising across NCW even as the poverty rate falls. Joe asked the board members to pass on any interesting data leads to him and Aaron. Roni and Todd remarked on how the "benefit cliff" affects many trying to move out of poverty in the region.

Executive and Sub-Area Budget Modification

Lisa explained that SkillSource has been awarded approximately \$1.3 million in Community Reinvestment Funds through the Department of Commerce. This funding will be split into two activities: Workforce Accelerator business navigator services (\$838K over 18 months) and Career Seeker Training Incentives (\$491K over 18 months). Additionally, SkillSource received about \$108K of Economic Security for All (EcSA) Business Navigator funds. Finally, approximately \$84K of redistributed funds from other workforce areas will be accepted and moved into the Executive budget to address the current deficit in that budget.

Lisa briefly outlined how this additional funding will change subarea budgets in the current fiscal year (PY23). The balance of the Commerce and EcSA funds will be budgeted in PY24. Roni asked how the Workforce Accelerator funds were apportioned between subareas; Lisa replied that it was apportioned using the customary formula that considers unemployment & poverty rates and other demographic factors.

Tom Legel made a motion, and Augustine Gallegos seconded to approve the proposed Executive and sub-area budget modifications as presented. Motion passed.

Officer Elections 2024

Roni stated that Zach Williams had volunteered to stand nominated for board chair. Lisa explained that chair and vice-chair positions typically rotate among the subareas' business members, but that is not a requirement. Tom Legel has agreed to accept the nomination for Treasurer. Roni proposed to extend Michelle Price as vice chair until or unless another board member stands for nomination.

Sara Thompson Tweedy made a motion, and Augustine Gallegos seconded to nominate Zach Williams for Board Chair, Michelle Price to extend as Board Vice Chair, and Tom Legel as Board Treasurer. Motion passed.

The meeting was adjourned at 6:42 pm and moved into executive session.

In Attendance:

Ryan Beebout
Augustine Gallegos
Julie Helligso
Annette Herup
Roni Holder-Diefenbach
Tom Legel
Nate Mack
Irasema Ortiz-Elizalde
Sara Thompson Tweedy
Pablo Villarreal
Zach Williams
Todd Wurl

Not in Attendance:

Randy Curry
Crystal Gage
Famous Harrison
Tad Hildebrand
Ken Johnson
Brant Mayo
Kyle Niehenke
Anthony Popelier
Michelle Price

Staff in Attendance:

Lisa Romine
Susan Adams
Laura Leavitt
Aaron Parrott
Kelli Martinelli
Christy Mataya
Joe Hauth
Heidi Lamers
Emily Anderson
Alicia Wallace
Juan Martinez, ESD
Leeanne Montoya, ESD
Lora Wood, ESD

Guests:

Sean Patton (Cordell, Neher & Co)
Cindy Ulrich (Cordell, Neher & Co)