

SkillSource Regional Workforce Board

Meeting Minutes

December 3, 2024

Via Zoom

Zach Williams, Board Chair, called the meeting to order at 5:35 pm. Lisa led introductions and oriented the board and attendees to the meeting agenda.

September 26, 2024 Board Meeting Minutes

Tom Legel made a motion, and Augustine Gallegos seconded to approve the minutes for the September 26, 2024 Board Meeting. Motion passed.

Audit Report Presentation

Laura reported that the executive committee met on November 19th with her, Lisa and the auditors to report results, which are also summarized in the committee minutes. She introduced Cindy Ulrich of Cordell, Neher & Company, who presented the results of the 2024 audit. Cindy explained the makeup of the audit team, the scope of services in the audit, and the overall audit process. Three auditors conducted an annual financial statement audit in compliance with the requirements of the Single Audit Act, and assisted management with drafting of the financial statements and the IRS Form 990. The auditors' report will be issued after this meeting.

The audit covered major program compliance, internal controls, revenue, accounts receivable, operating expenses, and cost allocation plan and methodology. Cindy reported that SkillSource had no audit findings and received unmodified opinions for internal control, compliance with government auditing standards, and compliance with each major federal program. 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. She summarized highlights of the financial statements, including an increase in net assets by \$479,000. Program expenses were 92% of total, which shows the extremely low administrative costs incurred by SkillSource. New to the report this year is a column portraying the state discretionary grants which are now a considerable proportion of funding. She summarized the IRS Form 990, which had no changes this year.

Tom Legel made a motion, and Sara Thompson Tweedy seconded to approve the 2023-2024 audit report and the IRS Form 990 as presented. Motion passed.

Director's Report

Lisa summarized the director's report. House and Senate committees have reached agreement on legislation to reauthorize the Workforce Innovation and Opportunity Act (WIOA). This new bill builds on the previous House version and notably maintains a 50% training mandate for Title I Adult and Dislocated Worker programs, among other concerns previously voiced. Lisa said that a reauthorized Act is good news, but as proposed would enact sweeping changes to the workforce development system. The committee members are currently in conversations with Senators, and it is unknown whether the reauthorization will proceed.

The Washington Workforce Association (WWA) legislative hill climb is February 4-6, to communicate legislative priorities to decision makers. Lisa reported that the state monitoring review went very well and thanked the staff for their work.

Lisa updated the board on progress towards strategic plan goals and priorities, as well as organizational performance through the first quarter. Several staff and two board members attended the WWA Conference last month. She announced that the board retreat is scheduled for March 13 and 14 at Campbell's Resort in Chelan, and that the National Association of Workforce Boards' annual conference will be held March 29-April 1 in Washington, DC. Lisa announced that she has accepted nomination as Vice Chair of WWA for 2025. Susan summarized partnership and business outreach efforts for the last quarter.

Washington Workforce Association Legislative Priorities

Lisa explained that WWA has five main legislative priorities that will be championed in the next session: maintaining funding and partnership for Economic Security for All (EcSA), as well as for the Community Reinvestment Project; supporting policies that prevent benefit cliffs for individuals transitioning to self-sufficiency; supporting digital equity efforts (expanding broadband access and digital literacy); and increased capacity for regional economic development. Augustine and Tom commended the Association on their prioritization of these issues. Tom asked if there has been discussion on these issues so far with legislators and if there has been any pushback on any of them; Lisa responded that the Association's lobbyist has been engaged and WWA is approaching this advocacy collectively. There has been no pushback so far but she noted that funding for EcSA and Community Reinvestment may vary based on other legislative priorities. Pablo said that DVR shares many of these same priorities, especially benefits cliffs and digital equity.

Board Retreat (March 13-14) – Topics of Focus

Lisa said that in past years the board retreats have focused on policy, legislation and other topics over the years. This year we are interviewing potential facilitators to lead the board in possible topics such as a mission, vision and values revision. She asked for the board's opinions or suggestions for other topics. There will be a survey sent out to all members for input and feedback. Faimous shared a similar values discussion that WVC just conducted, and asked when the board had last done such an exercise; Lisa responded she does not recall a dedicated discussion around board values. Pablo suggested a discussion of the contents of the WIOA authorization proposal bill, especially as pertains to serving individuals with disabilities and maximizing funding effectiveness for shared participants.

Board Reappointments & Forum Transition

Lisa said that six board members' terms expire this month, and all six have expressed their willingness to continue to serve. On December 18th the Forum of County Commissioners will meet to act on those reappointments. Three of the five forum members will be replaced as they did not stand for re-election; their successors will also be selected at the December 18th meeting.

Michelle Price, Superintendent of NCESD, is currently serving in her second term as Vice Chair. The Chair must be selected from among business members and the Vice Chair typically takes on the role as Chair. Lisa asked for volunteers for nomination for Vice Chair to assume office in March and suggested a business member for that position. Annette nominated Tad and Sara nominated Annette.

Lisa called the board members' attention to the board meeting schedule and other enclosures in the board packet.

Zach encouraged all members present to attend the board retreat. The meeting was adjourned at 6:43 pm.

In Attendance:

Randy Curry
Faimous Harrison
Crystal Gage
Augustine Gallegos
Annette Herup
Tom Legel
Nate Mack
Kyle Niehenke
Sara Thompson Tweedy
Pablo Villarreal
Zach Williams
Todd Wurl

Not in Attendance:

Ryan Beebout
Julie Helligso
Tad Hildebrand
Roni Holder-Diefenbach
Ken Johnson
Brant Mayo
Irasema Ortiz-Elizalde
Anthony Popelier
Michelle Price

Staff in Attendance:

Lisa Romine
Susan Adams
Laura Leavitt
Aaron Parrott
Emily Anderson
Alicia Wallace
Heidi Lamers
Toby Haberlock
Christy Mataya
Mayra Eaton-Garcia
Juan Martinez (ESD)

Guests:

Cindy Ulrich, Cordell Neher & Co.