



BLUE RIDGE REGION

**Western Virginia Workforce Development Board
Finance Committee**

October 23, 2020 - 9:00 AM

Western Virginia Workforce Development Board Offices
4419 Pheasant Ridge Road, Suite 301, Roanoke, VA 24014

<https://vccs.zoom.us/j/84972424869?pwd=ZG1vcTIPZmxCK2R6SjFNVFA1dE1ldz09>

Committee Members:	Present:
Casey Nicely	X
Phil Peters	X
Dr. John Rainone	X
Karen Michalski	X
Bill Jones	X
WVWDB Staff:	Present:
Morgan Romeo	X
Leah Gibson	X
Bobby Welch	X
Guest:	Present:
Corbin Stone	X

Call to Order

Casey called the meeting to order at 8:58am.

Review of Electronic Meeting Process

Morgan reviewed the process with the group, found on page 2 of the meeting agenda packet.

Public Comment

There were no comments from the public.

Consent Agenda

The group reviewed the meeting minutes from the August 7, 2020 meeting and the FY2021 Budget vs. Actual report.

Finance Committee Action: Dr. Rainone moved to accept the consent agenda as presented, Karen Michalski seconded. The motion was carried by a roll call vote as follows:

Committee Members	Vote
Phil Peters	Yes
Dr. John Rainone	Yes
Karen Michalski	Yes
Casey Nicely	Yes

FY2020 A-133 Audit Report

Casey introduced Corbin Stone to the group. Corbin shared documents from the report with the committee. Overall, the Board received an unqualified opinion, which means no findings were found

relative to Uniform Guidance. The audit will be called the “Uniform Guidance Audit” moving forward, instead of the “A-133 Audit”. Corbin noted that the Board has a high grant concentration, which means we have most funding from grants. All tax filings and federal grant forms have already been submitted, ahead of deadlines. Morgan expressed thanks to Corbin and his team for all their work and continued assistance.

Finance Committee Action: Dr. Rainone moved to accept the final report as presented and request that the Board approve it at their next meeting. Karen Michalski seconded the motion. The motion was carried by a roll call vote as follows:

Committee Members	Vote
Phil Peters	Yes
Dr. John Rainone	Yes
Karen Michalski	Yes
Casey Nicely	Yes

Old Business

Finance Committee Chair Update

Morgan shared with the committee that Karen Michalski has volunteered to chair the committee. The Executive Committee has a meeting scheduled for Monday, where they will approve her moving into that position.

Fiscal Agent Update

Morgan shared that she and Bobby have been working with the attorneys from Roanoke City in conversations regarding the fiscal agent for the Board. Accounting and Finance staff from Roanoke City were only recently included into the conversation. As of right now, it appears we have 3 options:

1. Become employees of Roanoke City
 - a. Under this option, we as the Workforce Development Board would not be a Department within the City but would be more like a Constitutional Office like the Registrar or Sheriff’s Offices. We would be required to follow their personnel manual and utilize their procurement office. We at first were led to believe we could retain our 501c3 status, but after further conversations, we understand this would be very difficult and cause additional issues. Health benefits for employees under this option would remain like what we currently have, but retirement plan would require us to pay in 16% of salary versus the 3% we currently contribute. Additionally, all Board employees would not be vested into retirement until 5 years, with everyone starting at 0.
2. Become our own fiscal agent
 - a. In this scenario, Roanoke City would remain our grant recipient, but we would internalize responsibilities that currently lie with the Regional Commission. Right now, we have internalized many of those tasks already, when we hired Bobby as our Grant Accountant. The difference would be that funds from the state would come directly into our bank account and streamline processing of payments. We could do this by acting on the Joint Powers Agreement that the CLEO put into place back in 2003. We would be

able to have our own operational procedures, bylaws, and employee policies. We could have access to Local Choice health benefits, which is what we have currently under the Commission, as well as Virginia Retirement System benefits. We would need to give the Joint Powers Agreement entity a name as well as apply for a FEIN before we could move forward with this, but we would retain our 501c3 status.

3. Become employees of the Workforce Development Board as a 501c3
 - a. Under this option, we would also become our own fiscal agent, but we would have to go out into the marketplace or find another option for health benefits for our employees.

Dr. Rainone asked if the Workforce Board already has their own FEIN. Morgan explained that we do, but it is only under the non-profit 501c3, not under the Joint Powers Agreement entity. Karen noted that the Blue Ridge Independent Living Center was under Local Choice health benefits at one time but moved to the Center for Nonprofit Advancement which gave their employees a lower health insurance premium. Morgan asked Karen to share her contact with that organization for us to explore. Morgan and Bobby will be creating a comparison chart of all the options once we have more information on total costs. Dr. Rainone asked if there was an option to bring all finance operations in-house but still have an agreement with the Commission. Morgan noted that the current understanding would be that we would be employees of the Commission and report to their Director, but they would have to take on an additional 12 employees, which is undesirable to them. Karen shared another resource, Banker's Insurance, for insurance for non-profits, which Morgan shared she will explore as well. Bill noted that previously, the Board had Simplified Employee Pension (SEP) for employees, which we should explore as well.

New Business

FY2021 Budget Version 3

Bobby shared a few changes to the FY2021 budget with the group. The changes were highlighted in yellow, acknowledging \$16,880 received from Roanoke City CARES Act funding and \$7,000 from the Virginia Community College System (VCCS) for the development of a strategic and local plan.

Finance Committee Action: Phil Peters made a motion to accept the budget as presented. Karen Michalski seconded the motion. The motion carried by a roll call vote as follows:

Committee Members	Vote
Phil Peters	Yes
Dr. John Rainone	Yes
Karen Michalski	Yes
Casey Nicely	Yes
Bill Jones	Yes

General Ledger Review

Bobby shared the General Ledger with the group, also in the packet. Corbin Stone had suggested we share this with the committee since we do not have a second signature on checks for approval. The report shows everything that comes through the checking account over 90 days. Bill suggested that a copy of the credit card bill also get reviewed by the Treasurer. Bobby noted that would be no problem, he would coordinate with Morgan and Karen.

Finance Committee Action: Casey Nicely made a motion to approve the General Ledger as presented. Dr. Rainone seconded the motion. The motion passed with a roll call vote as follows:

Committee Members	Vote
Phil Peters	Yes
Dr. John Rainone	Yes
Karen Michalski	Yes
Casey Nicely	Yes
Bill Jones	Yes

Other Business

Casey noted that there is an Executive Committee meeting scheduled for Monday, October 26 at 9:00am.

Phil noted that the end of the calendar year is very busy for insurance representatives and we should act quickly on getting in touch with those individuals mentioned previously.

Dr. Rainone offered that the Finance Committee could have another called meeting if needed regarding action on the fiscal agent changes.

Upcoming Meetings

The next Board meeting is December 18, 2020 at 9:00am.

Adjournment

Casey welcomed Karen to the position of Committee Chair, pending the Executive Committee's approval next week, and thanked her for being willing. He also thanked Phil & Morgan for all their work thus far.

The meeting adjourned at 9:50am.