



BLUE RIDGE REGION

**WVWDB Finance Committee Meeting**

February 5, 2021 – 9:00 AM – 10:00 AM

<https://zoom.us/j/98611549570?pwd=MjV2cmFEY1VtL1JBVjZ3elh5eE5zZz09>

Phone Number: 1-301-715-8592 – Access Code: 986 1154 9570 – Passcode: 872030

Member:	Present:
Karen Michalski-Karney, Treasurer	X
Bill Jones	X
Casey Nicely	X
Dr. John Rainone	X

Board Staff	Present
Morgan Romeo	X
Bobby Welch	X
Leah Gibson	X

**Welcome**

Karen Michalski-Karney welcomed everyone and called the meeting to order at 9:04 AM. A quorum of the Committee was present.

**Electronic Meeting Process Review**

Morgan Romeo reviewed the Electronic Meeting Process with the Committee as the Committee was convening by Zoom. Morgan reminded the Committee that the meeting was being recorded and that all votes would be taken by roll call vote.

**Public Comment**

There were no comments from the public.

**Consent Agenda**

The presented consent agenda included the following items:

- Meeting Minutes – October 23, 2020

Karen Michalski-Karney referenced the meeting minutes included in the packet from the October 23, 2020 meeting. Karen asked if there were any questions, comments, or changes that needed to be made.

**Finance Committee Action:** A motion was made by Dr. John Rainone to approve the Consent Agenda as presented. The motion was seconded by Casey Nicely. The motion was approved by a roll call vote as follows:

Karen Michalski-Karney	Yes
Bill Jones	Yes
Casey Nicely	Yes
Dr. John Rainone	Yes

## **Old Business**

### **Fiscal Agent Update**

Morgan Romeo gave an update to the Committee on the transition of fiscal agent from the Roanoke Valley Alleghany Regional Commission (RVARC) to the Western Virginia Workforce Development Board (WVWDB). Morgan noted that all payroll and benefits processes were successfully implemented by the WVWDB as of January 1, 2021. Payroll is now being run biweekly with benefits costs being like those costs under the RVARC. Dr. Rainone asked if all of the new payroll processing is automatic and direct deposited. Morgan noted that yes, the payroll is now done through ADP and all employees have their checks direct deposited into their bank accounts.

## **New Business**

### **FY21 Budget vs. Actual Report**

Morgan Romeo presented the FY21 Budget vs. Actual Report that was included in the Committee's packet. Morgan reviewed the reports which included a full profit and loss statement for the accounts of the WVWDB and a comparison of budget versus actual expenditures for all of the grants and programs operated by the WVWDB. Morgan pointed out the low expenditure levels in the Adult and Dislocated Worker programs and stated that staff were working to collect all invoices from vendors for participant expenses, as there are some bills that have not been received and are not reflected in the reports. Morgan also noted that there was a lack of Dislocated Worker participants being enrolled due to individuals not meeting the full requirements of eligibility for the Dislocated Worker program. Morgan also pointed out the lack of expenditures in the Youth program, which was primarily due to lack of activities on the part of The WorkPlace. Morgan stated that staff had spoken with the Youth Program Manager at the state level to discuss next steps, and a letter would be going out to The WorkPlace on Monday requesting immediate remediation in performance or the contract may be terminated.

Karen Michalski-Karney requested information on the expenditures under Board Administration and why they were so high related to the budget. Bobby Welch noted that this was due to grant funding streams that were short term or ended prior to the end of the fiscal year. Morgan said that staff would send a copy of the transaction listing to show the Committee the discrepancy.

**Finance Committee Action:** A motion was made by Bill Jones to approve the FY21 Budget vs. Actual Report as presented. The motion was seconded by Dr. John Rainone. The motion was approved by a roll call vote as follows:

Karen Michalski-Karney	Yes
Bill Jones	Yes
Casey Nicely	Yes
Dr. John Rainone	Yes

### **FY21 Budget Modification – Transfer**

Morgan Romeo stated that considering the lack of expenditures in the Dislocated Worker program and the need for more funding in the Adult program, the staff were proposing that \$75,000 be transferred from the Dislocated Worker program to the Adult program. The Adult program has far fewer components to eligibility determination which was allowing more individuals to be enrolled in this program rather than the Dislocated Worker program. Morgan stated that the main deterrent from enrolling individuals in the Dislocated Worker program has

been the fact that individuals are not permanently separated from their previous place of employment, and that the COVID-19 pandemic had caused a lot of individuals to be temporarily laid off with a return-to-work date. Morgan showed the Committee a projected expenditure report created by Bobby Welch showing the expected expenditure levels through June 30, 2021. This report showed the need to transfer dollars from the Dislocated Worker program to the Adult program to avoid giving back funds at the end of the year.

**Finance Committee Action:** A motion was made by Dr. John Rainone to recommend to the full WVVDB that \$75,000 be transferred from the Dislocated Worker program to the Adult program. The motion was seconded by Bill Jones. The motion was approved by a roll call vote as follows:

Karen Michalski-Karney	Yes
Bill Jones	Yes
Casey Nicely	Yes
Dr. John Rainone	Yes

#### FY21 General Ledger Review (2<sup>nd</sup> Quarter)

Morgan Romeo referenced the FY21 General Ledger report that was included in the Committee meeting packet. This General Ledger reflects all transactions that occurred during the 2<sup>nd</sup> Quarter of FY21 (October 1, 2020 through December 31, 2020). The Committee reviewed the expenditures for any anomalies and Karen asked if any of the Committee members had any questions regarding specific transactions. There were no additional questions.

**Finance Committee Action:** A motion was made by Casey Nicely to accept the FY21 General Ledger of expenditures in the 2<sup>nd</sup> quarter as presented. The motion was seconded by Bill Jones. The motion was approved by roll call vote as follows:

Karen Michalski-Karney	Yes
Bill Jones	Yes
Casey Nicely	Yes
Dr. John Rainone	Yes

#### FY22 Budget Discussion

Morgan Romeo stated that she wanted to discuss the budget process for next year (Fiscal Year 2022). The U.S. Department of Labor has yet to release any final numbers, but projections that were released in January show Virginia getting a slight increase in funding. This could help LWDA3 retain their current allocation of funds and not risk another large cut. Morgan also brought up another situation that is on the horizon with funding being put forth by the Virginia General Assembly. With the approval and allocation to the G3 project with the Virginia Community College System, along with funding for tuition through the REV CARES Act funding stream, FastForward, FANTIC, and other grant programs, there is a large amount of funding available for individuals to use on tuition and other school fees. This will cause the Board to be more creative on how to spend funding. Morgan referenced the 40% requirement that is still a requirement on paper, but the state has informed Board's that they will not be penalizing area's for not meeting it at this time. The Finance Committee asked to report on this to the Board at the February 19<sup>th</sup> meeting so it can be discussed prior to developing and approving a budget for Fiscal Year 2022.

**Other Business**

Karen Michalski-Karney asked if there was any other business to come before the Committee at this time. There was no additional business.

**Adjournment**

The meeting was adjourned at 9:51 AM.