

**MINUTES**  
**Southeast Indiana Workforce Investment Board**

Osgood Town Hall  
147 West Ripley Street  
Osgood IN 47037

**October 15, 2013**  
**10:00am - 12:00pm**

**WIB Members present:** Amy Gosney, Dennis Wimer, Patti Yount, Mike Busch, Beth Pattison, Mark Cash, Beth Blasdel, Carla Enzinger, Nancy Monroe, Josh Wilber, Chuck Kime, Jerry Vollmer, Chip Orben

Local Elected Officials: Commissioner Rick Flohr, Bartholomew County; Mayor Gary Herbert, City of Greensburg

Chair Yount called the meeting to order at 10:00am and stated a quorum was present.

**Approval of September Meeting Minutes**

Ms. Houchin noted there were two changes highlighted in red that were suggested by Director Blasdel. Director Orben noted there was a correction needed on page 4 – “Chief” should be “Chair.”

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| Director Orben moved to approve the September WIB Meeting minutes with the noted changes. Director Director Wimer seconded. All were in favor. The motion passed. |
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**10am Executive Committee report**

Chair Yount said the Executive Committee met during September and all officers were present. There were a couple of things to note. During the last Board meeting, to make sure that staff support was available during the transition, the WIB approved an extension of the the REACH and RVR contracts. When working with Crowe, it was noted that it was getting close on the budget if we didn’t get the allocation in October. Looking at what National Able was able to provide administratively via their corporate staff, they could be ready October 1, 2013 and take over all functions. Chair Yount then had a conversation with Bart Brown of REACH. He noted that his IT person had already left and a few others were planning to move on to other positions quickly. Chair Yount asked REACH if the transition could occur sooner than October 31, 2013 and if so, what it would do to the organization. Mr. Brown said that everything could be transitioned over within two weeks (last 2 weeks of September). National Able and REACH worked very closely together during those two

weeks. The Executive Committee agreed to start on the contracts for October 1, 2013. At the September 27, 2013 meeting, the Executive Committee voted to close out the contract with REACH as originally planned and begin the contract with National Able on October 31, 2013. Chair Yount noted the bookkeeping has all transitioned over now. REACH has to pay the final salaries of his staff through September 30, 2013 and Comer Nowling will do the audit on REACH for \$1,500 in November.

Director Orben commented that the faster transition was a prudent thing to do once we understood that REACH would probably not be able to fulfill all the functions due to staff leaving and we knew that National Able could do it. It was confirmed when we looked at the budget and did not receive the draw down for October due to the federal shutdown.

Director Blasdel asked about the telephone number in Lawrenceburg. She has gotten comments that people are calling that number and not getting the information they need. Mr. Kegerreis will check on this and make sure it is taken care of.

Director Wimer said for anyone that gets phone calls about disruptions in service on the Board, they should route those phone calls through Kurt. Director Wimer also noted that Ms. Houchin's contract was also extended through October 31, 2013 by DWD to help during the transition. That will end in October, but she has been transitioning things over to Mr. Kegerreis.

### **Financial report/ Approval of the Budget**

Ms. Crowe reviewed the financials through September. She explained that at this point in time we are at 25% for the year. The financials reflect the full funding that is expected from DWD for the Program Year. She highlighted what to keep an eye on:

- The system has spent almost all of its carry in funding from last year
- The WorkINDiana grant is at 49% expended, so we expect to spend all the funding within the program year
- The National Emergency Grant for Dislocated Worker training is at 0% expended. This is for On the Job Training and other direct training. She stated we need to monitor it and see how it progresses throughout the year.

Ms. Crowe also noted that they are recommending the SEIWIB hold back 15% of WIA funding for this Program Year as well as a percentage of the DEI grant. Director Wimer noted that WorkINDiana funds are 49% expended and there are some additional funds from the state that are available. These are intended first-come, first-serve. He suggested that as we get close to 100%, we need to get a request in to the state for more funds. Director Wimer recommended *not* slowing down on WorkINDiana activities. Director

Pattison commented that the Adult Education providers are in positioned well to train additional people.

Chair Yount said that the Board did receive its Youth funds. The only funding that has not been received due to the shutdown is the Adult and Dislocated Workers funds. Director Orben also noted that while we have Youth funds, we can't use that to fund other activities. Ms. Zangrilli state that in addition to the Adult and Dislocated Workers money, we also don't have the Integrated Service Funds. She reported that we can incur the costs, because we have the contracts, but we can't make the payments yet. Ms. Crowe explained that the integrated service contract funds pay for shared costs between the region and DWD in the WorkOnes. Director Wimer said that it has been difficult to figure out what funding we have and how to make it available.

Chief Elected Official Cash asked how long it will take to receive money once the shutdown ends. Director Wimer said that it depends on what the federal government does, but once the state has funding, it will immediately be available for regions to draw down and start using. Director Wimer said once we have the authority, we will be able to incur the expenses immediately.

Chair Yount noted that she and others participated on conference calls regarding what the shutdown impact would be. They were told to provide DWD with how much money would be needed to keep everything running. The carry-in funds would cover until the end of October 2013. From that point, the region would look to DWD for guidance and figure out what to do. After talking to DWD, it was noted that we should do as much direct client services as possible and everything else should be really evaluated.

Ms. Zangrilli reported that the Board had enough funding to operate on WIA funding through October 31, 2013. She said that DWD has asked for projections that include funding needed for salaries and benefits to keep everything operating. Ms. Zangrilli reported that Crowe provided what the SEIWIB would need for salaries and benefits. Director Wimer explained that the state received its whole allotment of Wagner Peyser funds on July 1, 2013 and is trying to figure out what amount can be used within each region . The only guidance DOL gave the states was to make sure federal funds are only used for allowable activities (i.e. can't use Wagner Peyser money for WIA costs). DWD is figuring out projections to keep all of the WorkOnes open. Chair Yount said she was hopeful that the shutdown won't extend beyond October. Director Wimer also noted that the debt ceiling will impact even more as far as "what ifs" – even if we do have the money, we may not be able to draw down funds. There is a lot to keep track of and we will just have to react to whatever news we here. Chair Yount said we will continue to take it day-by-day and keep everyone informed.

Ms. Crowe reviewed the budget for Program Year 2013. The budget assumes the region receives its full allocation. Ms. Zangrilli mentioned that in this budget, there are approximately 50% more funds allocated for Direct Client Services and it could be even more if the Board receives more WorkINDiana funding.

Director Hubbard motioned to approve the budget. Director Busch seconded the motion.

For discussion, Director Blasdel stated that she has a problem with the budget. Two years ago, when the Board decided to become a WIB, it decided to cut overhead. The Board is still at the same level for overhead. She stated that the dollar level became higher, but the overhead has not been reduced. She commented that there are a number of things we need to look at to cut overhead. She commented that the Board has not discussed the budgets for National Able and River Valley Resources and she cannot see where the Regional Operator is in the current budget. The Board has not had the conversation about how to operate and it needs to be more micromanaged than it has in the past. She also expressed that there are additional WIB members that can give more information for the financials than the 4 or 5 Executive Committee members. Director Blasdel stated that we need to figure out how to do business better – 92% overhead is not acceptable. Chair Yount said that the audit in November will hopefully point to where we can shore up costs and input checks and balances. The data at the retreat will hopefully show exactly this as well. Chair Yount stated that the Board knew this year would be one about figuring out how WIB members individually want to contribute - everything from the offices, where do we find more money, etc. Director Blasdel said it has to include salaries and benefits. The Board needs to look at work schedules too. As a business owner, she commented that the Board needs to use the money more wisely. In Greensburg, we need 525 people that need to be hired and Director Blasdel doesn't think they are available. Chair Yount said it is the same in Seymour – they need 600 people. It is a challenge to find individuals who are skilled. Director Blasdel said that when you look at the numbers, they are really inconsequential when you think about a \$5 million budget. Chair Yount said that we will look at budgets over numerous years and how that money is being spent. It is a small figure that are getting training.

Director Norman said that we have new members and they should not feel like we've mismanaged the funds. Director Blasdel commented that she just wants the Board to do better. Director Orben said that this is our challenge – we have to dig into it and understand and be able to use common sense when we make the changes. We have to have reasoning as to why we have to make the decisions/changes. Director Blasdel said that the way it is becoming, everyone is working under an umbrella for the Board. She

stated she does not necessarily have a problem with it that way, but it is not what we discussed in the past. She stated that the Board just has not done enough. Chair Yount reported that RVR, Crowe and National Able were told that they should focus on direct client services until the retreat. She stated that the way the Board is operating today, may not be the way it operates in the future. The priority is to make sure the services to employers and individuals are high quality and professional.

Director Blasdel asked about new member packets and what training is going on for new member training. The learning curve is steep. Director Orben said that one of the primary objectives we all have is how we drive costs down and how we can pull expertise from around the Board table. Right now, we have short term and long-term. In the short-term, the focus should be on how to keep everything operating. The long-term focus should be on how to drive costs down. Director Wimer said that National Able has not hired any additional staff yet. RVR has focused on keeping services running. He noted that many other boards are missing the over-arching strategic direction that the SEIWIB will determine during the retreat – for example, do we want to spend X% of the budget on training or something else and then give direction to the staff. Director Wimer commented that the Board does not have this now, but it is the intention of the retreat – to lay the direction and then let providers implement.

Director Enzinger asked for more information about what the WorkOnes are actually training on. As an employer, they are struggling to get employees that are ethical and stay for longer than 5 days. Her company uses the WorkOnes when recruiting, but don't have a lot of success because they candidates are not high quality. Director Blasdel stated that no WorkOne Express is showing the workshops that are being offered online. Staff said they will look into it and make sure it is posted. Staff also reported that DWD state workshops are posting the information on Indiana Career Connect and in hardcopy in the Centers. Director Enzinger said there was a program at Ivy Tech related to the Workplace Readiness program. Staff said that it fell by the wayside, but that standard workshops are provided in the WorkOnes. Chair Yount said that if this is one of our priorities as a Board, we need to look for additional funds to cover this. Director Wimer said that it comes down to how the Board wants to prioritize its funds. Director Pattison stated that work place, work readiness skills are embedded in all of the Adult Education classes and tests. Even if they have their GED, they can still access these workshops from Adult Education. Staff also added that there is a new REA program for the individuals who are drawing unemployment. There are new expectations that will require additional services from staff in the WorkOnes. Mr. Kegerreis said that previous REA programs were only implemented in full-service WorkOnes, but that with this program, we can provide the services in WorkOne Express. Chief Elected Official Cash noted that the SEIWIB is a very dynamic board and that a lot of this will come out in the retreat and it will be very productive.

Closing the discussion, Director Blasdel opposed the motion to approve the budget. All others were in favor. The motion passed.

### **Update on the Greensburg WorkOne location**

Mr. Kegerreis provided a review of his due diligence for the Greensburg office relocation. He received data from DWD about foot traffic and total number of services in the offices. Greensburg gets a little less foot traffic than the other sites; but the square footage is twice as large in Greensburg and about twice as expensive than the others. It suggests that the Greensburg Express might be too big currently. Mr. Kegerreis noted that Ms. Houchin provided some research assistance and RVR provided input as well. He reviewed three options for the Board to consider. All three options would be lower costs than the current site.

- *Option A* – Located near the industrial park; the WIB would have to pay for utilities and build out. The 5 year lease covers the build out costs. It is moving in the right direction as far as space and costs.
- *Option B* – Located in the Learning Center; other WorkOne Expresses are already co-located with the learning centers. Partners are nearby. All of the utilities would be provided here. The SEIWIB could negotiate the amount of space and possibly the price. There is no build out required and we would have access to the training facilities. It is an older building and there may be some accessibility concerns to investigate, but these wouldn't be solely our concern (it would be shared by all other tenants). Director Blasdel stated that it is spread out and a large building. Director Monroe asked about any build out costs, but these would be negotiated with partners. Director Wimer said that with an older building, it might be grandfathered into the previous ADA compliance law. Initial checks from DWD suggest that there is nothing that looks like it would prevent us from moving in. Director Orben said that it would be prudent for us to look into what their plan is for addressing the accessibility concerns. Mayor Herbert said that it is sometimes hard for people to find where they are going. The City of Greensburg and probably the Decatur County already put in money to the Learning Center. Ivy Tech is not providing certificate programs at this location and a lot of Honda's support for Ivy Tech is not going into Greensburg.
- *Option 3* – It is a smaller facility that was recently an eye clinic. The rent would be \$2,100.00, utilities would be paid by the SEIWIB and a build out would be required. It is a newer and a nicer building. They were not in a position to estimate build out costs. There are not adjacent partners. The SEIWIB would have to sign a 5-year lease.

National Able's recommendation would be to go with the Learning Center due to the partner collaboration. The concerns would have to be negotiated, but they are not requiring a long-term lease, so the SEIWIB could relocate if Ivy Tech leaves or some other scenario happens. It is an opportunity that exists right now – no build out. Able's recommendation is Option B, but all three are workable.

Director Blasdel said that as a business representative in Decatur County, the Learning Center would not be a great location. She has also talked to other businesses and they feel the same way. One of the things the county is trying to do is set up a training facility for local employers to use and there have been issues doing this at the Learning Center – in terms of IUPU - Columbus leaving, Purdue College of Technology pulling out, etc. She stated that the professionalism in the WorkOnes needs to be improved and the quality of candidates that are being sent to employers and how individuals are connected to the WIN program to improve work ethic need to be increased. The long-term vision for the county is not best realized in the Learning Center. Director Busch said that the Board has a fiscal responsibility and that he has a problem with locking into a 5-year lease and the cost of the Option A (Commerce Park) location. He commented that if the Board is going to take the conversation about efficiencies seriously, it needs to apply those priorities to the conversation about the Greensburg location and keep the conversation to the facts – square footage, lease, etc. Mr. Kegerreis stated that he is pleased that at least the Learning Center has been willing to talk with us; they haven't been engaged with the WorkOne in the past. The relationship with them has been renewed and that will continue no matter where the WorkOne is located. Director Orben said that the WorkOne does not need the 3,600 sq. feet in Option 1. He wondered if the county or city wants to pay for 1,800 square feet of it. He said that as an Express office, the SEIWIB does not need that much space. Chair Yount stated that if the city and county would want to partner with us, then we could lease 1,700 sq. feet from them. Chair Yount said that her recommendation would be to table the conversation and find out if the city and county would be willing to partner. She expressed that one of the reasons this exercise will be helpful is that it will help evaluate all of the WorkOne Express sites. Director Wimer said that from a timeline standpoint, the SEIWIB needs to move out by March, so staff should continue to investigate the other opportunities that exist. He recommended that staff further investigate all of these. Director Hubbard said that if the Board is going to enter into a 5 year lease, it should be done after the retreat when the Board knows what its priorities are. Chief Elected Official Cash asked Mayor Herbert if the city would be interested in partnering. Mayor Herbert stated that his priority is to keep an office in Greensburg. The Board needs to consider all the other offices and what cuts are being done in these as well. He noted that the Greensburg community has 525 jobs to fill and cannot fill them right now. We cannot duplicate services. He expressed that if he can be of any service or help to the Board, he will be.

### **Southeast Indiana WIB Member Retreat**

Chair Yount stated that there will be a SEIWIB Member retreat. She will work with Mr. Kegerreis to send out dates and try to find a date when everyone can attend, in a location that works for everyone. The first part of the retreat will focus on what we have now, new membership training (what does it mean to be a WIB member, education about the funding streams, etc.) and then the focus will shift to what the Board wants to prioritize in the future. Chair Yount commented that other experts/partners will be brought in to do presentations to give WIB members ideas about what our partners are doing and where they are going. For example, WIB representatives have met with the Community Education Coalition and Eco15 to understand what their plans are. Chair Yount stated that the plan is to have the retreat before the end of the year, so that the Board can plan for the next budget year. It will be one-day and will not require significant expenses.

### **Executive Staff Transition**

Mr. Kegerreis gave an update and said that it is a lean staff. To date, no one has been hired. The key staff position that National Able is focusing on filling is an Operations Manager. The jobs are posted. We are open to where the people are located within the region. The jobs are posted on Indiana Career Connect and he is optimistic about the ability to fill them.

Chair Yount stated that DWD is now offering a website for each of the regions. It is definitely something that the SEIWIB should take advantage of – it allows local editing and adding information. It looks very nice and National Able is already working on this.

Director Orben thanked Mr. Kegerreis for the work he put into the Greensburg Office location. It was very helpful and well done.

### **Service Provider Update**

Ms. Olsen provided a summary of the service provider reports. She pointed out that the numbers in the packet detail the services by county. There is also a summary of the JAG program. Ms. Olsen noted that they have also recently employed the Disability Coordinator for the DEI grant. She also highlighted that one of the WorkOne's former clients was recently highlighted as a "Shining Star" in Vitality Signs. RVR has also met with the National Able corporate staff to begin the relationship.

### **Other Business**

Chair Yount stated that she wanted to thank the volunteer Executive Committee, Ms. Houchin, Mr. Kegerreis, DWD, Crowe, RVR and everyone who worked so diligently. It would have been challenging in any climate, let alone on top of the shutdown and the national uncertainty. It has been a pleasure to see everyone come to the plate and work



with all of the partners. Chair Yount asked Mr. Kegerreis to please relay to all of his staff the National Able staff have been tremendous.

Director Wimer moved that we do not continue REACH's contract through October 31 as discussed and voted on by the Executive Committee and added that the Board does not need to extend RVR's previous contract. Director Blasdel seconded. All were in favor.

Director Wimer moved that National Able continue to pursue options for the Greensburg location including the three options presented today and other opportunities. Chief Elected Official Cash seconded. All were in favor.

Director Blasdel asked when the Board is able meet electronically. Director Wimer said that he will work with Mr. Kegerreis to see if anything needs to happen for this to occur.

Director Orben moved to adjourn at 12:02pm. Chief Elected Official Cash seconded. All were in favor.