

Central Workforce Development Board

And

Central Region Caucus

Minutes of November 17, 2021

Conducted at the Capital City Job Center and by Zoom Conferencing

Chairman T.R. Dudley called the meeting to order at 10:10 a.m.

This is the annual meeting of the board and the caucus.

CWDB members in attendance were T.R. Dudley, Kathy Groves, Peter Callan, Dewey Thompson, Elizabeth Perkins, David Miller, Brad Dorris, Matt Hurley, Erica Ward, Ray Crouch, Tamara Tateosian, Paula Benne, Denise Boeckmann, John Butz, Sue Kmet, Loreli Wilson, and Suzanne Absheer.

CWDB members absent were Sharon Gibson, Jacob Crismon, Patrick Kelly, Curtis Koelling, Yvonne Wright, Betty Jo Sydenstricker, and Mark Maasen.

Caucus members in attendance were Gary Jungermann, Dan Atwill, Vic Stratman, Randy Verkamp, Greg Hasty, Don Baragary, Alan Winders, Tom Wright, Sam Bushman, and Rick Messerli. Rick Messerli represented Mac Finley, who was unable to attend.

Caucus members absent were Leo Sanders, Darrell Skiles, Larry Miskel, Randy Angst, Mack Finley (represented by Rick Messerli), Tony Stephens, Darryl Griffin, Gene Newkirk, Dave Sansegraw, and Jeremiah Johnmeyer.

CWDB staff in attendance were Amy Sublett, Donna Smith, Korin Ell, Kevin Stadler, Carly, Siedleck, and Winona Cotner.

Others in attendance were Trish Rogers, Copic Executive Director, Tony Bryan representing the State Workforce Board, and Jason Verslues from the Carpenters Regional Council.

Introduction of John Butz

T.R. Dudley introduced new business sector board member, John Butz. Mr. Butz replaces Julie Littrell who resigned from the board due to a change of employment.

John Butz provided a brief introduction; he has been the city administrator for Rolla for more than 24 years and served in administration for nearly nine years with the City of Sullivan prior to that. He is active with several other organization and boards.

Approval of Consent Agenda

T.R. Dudley entertained a motion to approve the consent agenda. The agenda included September 22, 2021 minutes, job seeker satisfaction survey, business services satisfaction survey, and COPIC report.

T.R. Dudley entertained a motion to approve the consent agenda.

Motion made by Matt Hurley, seconded by Peter Callan. Discussion was entertained; there was none. All in favor, none opposed, the consent agenda was approved as presented.

Financial Report

The CWDB financial report for the period of July 1, 2020 to October 31, 2021 was presented by Donna Smith. The report was reviewed prior to the meeting by the finance committee on November 15, 2021 and was sent to the board members and the caucus in advance of the meeting.

Discussion was held on current program expenditure levels.

Amy Sublett discussed the funding for Adults, Dislocated Workers, and Youth. There is difficulty finding Dislocated Workers to serve in the present economy.

CWDB transferred \$103,551 from Dislocated Worker to Adult in the end of August to bring this funding level into alignment.

CWDB will return \$13,651.92 of unspent MoWorks Together funds to the state Office of Workforce Development.

Questions were entertained; there were none.

Gary Jungermann commented that the current financial report format is an improvement over the previous report.

T.R. Dudley entertained a motion to approve the financial report. Motion made by Peter Callan seconded by Matt Hurley. Discussion was entertained; there was none. All in favor, none opposed, the financial report was approved as presented.

CWDB Financial Manual

Donna Smith presented the updated CWDB financial manual. This manual is a work in progress and will be revised as needed. The manual was reviewed by the finance committee on November 15, 2021 with suggestions and revisions being made to the segregation of duties section. The manual was sent to the board prior to the meeting for review.

T.R. Dudley thanked the finance committee for their work.

T.R. Dudley entertained a motion to approve the financial manual. Motion made by Dewey Thompson, seconded by Kathy Groves. Discussion was entertained; there was none. All in favor, none opposed, the financial report was approved as presented.

Year Ended June 30, 2019 Audit

Barb Houser, of KPM CPAs presented the Year Ended June 30, 2019 audit. The auditors issued a qualified opinion report, which is a step in the right direction from the 2018 audit; that audit was issued without an opinion. There was not enough documentation in 2018 to support an opinion.

The goal for the 2019 audit was to be able to issue an opinion, which was accomplished.

There are two parts to the audit- the financial statement audit and the audit with compliance

There were four material weakness findings relating to the financial statement audit.

They are:

- 1) There were still adjustments to be made to complete the audit;
- 2) A document retention finding;
- 3) An inability to provide all of the documentation requested;
- 4) A segregation of duties finding.

These are material weaknesses in the internal control structure that will be presented to the federal government.

The adjustment finding and inability to provide documents were on the 2018 audit.

There were two compliance findings.

1. Document retention – CWDB could not provide all of the required documents.
2. CWDB did not have everything in place to meet federal requirements due to changes in compliance rules.

Some of these findings may be repeated in the 2020 audit, which will probably be a qualified opinion also.

The 2021 audit has a good chance of being a better audit.

A management letter will be issued to CWDB detailing the findings.

CWDB needs to look at their document retention and destruction policy; Ms. Houser offered to provide guidance on these policies if needed.

The June 30, 2020 audit is due December 31, 2021 and we are on track to meet that deadline.

The June 30, 2021 audit is due March 31, 2022.

Ms. Houser complimented Donna Smith on her hard work in preparing for the audit.

Ms. Houser asked if there were any questions; there were none.

T.R. Dudley commented that there were no findings of misappropriation of funds; a main cause of the audit problems are the result of moving funds between programs and not keeping required documentation. There was also significant turnover among the fiscal officer position, which contributed to this current situation.

T.R. Dudley entertained a motion to approve the 2019 audit as presented with the findings that were noted. Motion made by Peter Callan, seconded by Kathy Groves. Further discussion was entertained. There was none. The 2019 audit was approved as presented.

State Workforce Board Update

Tony Bryan, from the State workforce board, provided an update on National Apprenticeship week, including an apprenticeship summit in Columbia. Missouri is third in the nation for completed apprenticeships. There is a recent partnership with the State and Coursera, a virtual training provider, that covers a wide spectrum of courses. Mr. Bryan gave an update on CyberUp and the struggles of finding workers; they are making efforts to think outside of the box and be inclusive of all diversity groups. CyberUp places special emphasis on hiring veterans. He would like to find a way to engage veterans exiting Fort Leonard Wood.

Central Region Presentation and Discussion

Amy Sublett provided a presentation on workforce development in the Central Region. The presentation included an overview of the nineteen counties in the region, the areas of responsibility of the CWDB, services available through the job center system, and labor market information available through Missouri Economic Research Center (MERIC).

The Central Region has the highest number of disadvantaged youth in the state; this is a trend that is repeated year after year. This contributed to the region receiving an increase in youth funds this year.

Several challenges were presented that will be discussion points in the future as the board looks for solutions.

The challenge of the shortage of people in the workforce, referred to as “Sansdemic,” was discussed.

There is a low participation rate of men ages 24-55 in the workforce.

Three million Baby Boomers left the workforce during the pandemic.

Birth rates have declined over the last 5 decades.

CWDB will need to find creative ways to address these issues and help businesses find workers.

Dewey Thompson addressed the wide range of educational attainment levels throughout the region and asked how we can address that. Discussion followed on this as well as the multiple reasons for the shortage of people in the workforce.

Peter Callan commented that UM Healthcare studies this information and the extent to which Columbia data skews the numbers on employment, earnings, and education due to the university and the healthcare system. It was noted that there are many underlying issues such as ethnicity that affect employment numbers.

Peter Callan stated that employment numbers don't reflect the underemployed or those who have dropped off of the roles.

The question was raised whether 1099 workers are included in employment numbers. This will be researched.

T.R. Dudley commented that emphasis upon certifications and credentialing, and the needs of employers have affected traditional educational attainment levels.

The role of career and technical education providers and apprenticeships was discussed.

Director's Update

Amy Sublett provided the following updates:

An ad hoc committee met in October to brainstorm on expanding services and increasing expenditure levels to deal with the CWDB budget increase wisely. The committee will conduct research and report back with opportunities to maximize opportunities and collaborate with other agencies.

CWDB corrective action status: when the fiscal year 2020 audit is completed, CWDB will request of OWD to be taken off corrective action status. At that time, the Central Region Caucus Agreement will need to be signed by the commissioners. Currently, Commissioner Jungermann is the only commissioner who has signed the agreement.

CWDB is partnering with the Ozark, Southeast, and South Central regions on an application for the EDA Good Jobs Challenge federal grant. Applicants are to develop a system-wide approach to address workforce development issues, particularly those industries impacted by the pandemic. The proposal will target health care and transportation industries, including truck drivers and warehouse workers, along the I-44 and I- 70 corridors. Some points of the proposal are that CDL training will be expanded to Columbia, Eldon, Boonville, and Lebanon and tuition will be paid for key healthcare occupations.

Amy Sublett invited board members to contact her if they have questions, or are interested in being involved in the grant process. Letters of support will be requested from employers offering to hire individuals trained through the grant. The proposal should be submitted by the end of the calendar year.

Bylaws Modification

A modification to bylaws items 8.3 was presented. The revision states the process for notifying the board chair and CEO of board vacancies and filling vacancies promptly.

Item 5.8 was presented for modification to include video conferencing as a way for members to connect to board meetings and be included in the quorum.

These modifications were previously approved by an ad hoc bylaws committee.

Questions were entertained; there were none.

T.R. Dudley stated that the board was already operating with these processes, although it was not stated in the bylaws.

T.R. Dudley entertained a motion to approve the bylaws modification. Motion made by Kathy Groves, seconded by Peter Callan. Discussion was entertained; there was none. All in favor, none opposed, the bylaws modification was approved as presented.

Chairman's Report

T.R. Dudley discussed the Job Centers of the Future meeting that he attended in West Plains. T.R. was impressed with the presentation and requested that Dr. Leathers or Yvonne Wright be contacted to give a presentation to the board.

T.R. Dudley attended a Career and Resource Fair in Columbia and was impressed with the community collaboration. The traditional job fair was transformed into an event that included interviews, a pharmacy providing Covid vaccines, a food bank, and a dress-for-success resource providing clothing.

The Potosi area is considering having an annual health fair that will serve as a health and career fair and proposed that for consideration.

The next segment of the meeting was focused on the caucus. Board members were invited to remain, or could leave the meeting if needed.

Caucus Update

Commissioner Jungermann stated that CWDB has come a long way and is better than when he joined the board. He feels that the current board is one of the best there has been and asked that the commissioners participate with the board and ensure that there are quorums at the meetings. He discussed engaging employers for support and developing pilot projects to address workforce issues.

He addressed the caucus agreement that will need to be signed and the responsibility of the caucus to provide oversight to the CWDB, and asked the commissioners to become involved in the workforce issues that affect the region and to support the board.

The commissioner asked that in 2022 we arrange for the board and caucus to meet physically and have the opportunity to meet each other. He spoke of the state board and the high caliber members that serve on the board.

Amy Sublett asked if there was a location that was convenient for the board and commissioners to meet. Commissioner Wright suggested the Lake of the Ozarks. A brief discussion was held on possible locations, such as the State Fair Community College, Osage Beach Connection Center, or the Miller County courthouse.

Commissioner Jungermann addressed the value of moving the location of meetings to accommodate those who always need to travel.

Amy Sublett discussed the caucus agreement that needs to be signed. To continue as the Central Workforce Region there will need to be a signed agreement with all of the commissioners. At a meeting in June, concern was expressed by the caucus regarding the CWDB's corrective action status. At some point an agreement will need to be signed; this will be addressed when the CWDB comes off of corrective action status with the Office of Workforce Development.

Ms. Sublett reported that before every board meeting, Donna Smith, the CWDB financial officer, goes over the bank statements and all financial reports with the finance committee, which consists of T.R. Dudley, Peter Callan, David Miller, and Denise Boeckmann. This is an example of internal financial controls CWDB has implemented. The financial manual includes strengthened internal controls. KPM, who is working on the CWDB audits are looking for internal controls and a segregation of duties. CWDB is also monitored and audited frequently by the state, federal government, and independent auditors.

Commissioner Atwell had addressed the corrective action status at a previous meeting. Amy Sublett stated that when CWDB is removed from corrective action status a letter will be requested from the Office of Workforce Development stating that status. The letter will be presented to the caucus, which should ease concerns over signing the caucus agreement.

If the agreement is not signed the status of the region could be affected in a number of ways that would disrupt the region. It's possible the region could be split and counties assigned to other regions.

Alan Winders asked about the content of the caucus agreement. Amy Sublett provided an explanation and offered to meet individually with any of the commissioners to answer questions. The current agreement will be sent to the caucus as a reference. Alan Winders served previously as an associate commissioner and has replaced Steve Hobbs as the presiding commissioner of Audrain County.

Commissioner Jungermann commented on the improvement in CWDB financial reporting and stated that there is no money missing; it was a matter of poor record keeping and document retention. He restated that Amy Sublett is willing to visit any of the commissioners to discuss the CWDB and workforce issues. Commissioner Jungermann entertained a motion to adjourn the meeting. Motion made by Rick Messerli, seconded by Tom Wright. All in favor, none opposed. The meeting was adjourned at 4:20.