

Governor's Council for Workforce and Economic Development
WORKFORCE SYSTEMS OVERSIGHT COMMITTEE
Minutes of Meeting

Date: December 8, 2017
Time: 2:00 p.m.
Place: Oklahoma State University – Oklahoma City, Business Technologies Bldg, BT300

Members Present: Richard McPherson, Ken Doke, Nathaniel Harding and Valerie Thompson.

Absent: John Hawkins, Donnalla Miller and Marty Williams.

Staff: Erin Risley-Baird and Jeane Burruss.

Guests: Karen Davidson and Michael Carter.

Welcome

Co-chair Richard McPherson opened the meeting and welcomed everyone.

Approval of Minutes

A motion was made by Nathaniel Harding to approve the minutes of 10/13/17 and 10/27/17. Ken Doke seconded the motion. No further discussion. The motion carried.

Local and Regional Plan Discussion

Jeane Burruss reported that all local and regional plans are now completed. She reminded the WSOC that they had reviewed all of them after the plans had been reviewed and recommendations given to the WSOC by the System Oversight Sub-committee. She referenced a letter in the WSOC meeting packets from the co-leads of the SOS committee to the WSOC co-chairs. The letter is asking that the WSOC ratify that all of the plans are done.

Ken Doke made a motion to approve the local and regional plans as listed on the agenda, seconded by Nathaniel Harding. No further discussion, the motion carried.

Update on IFA/SFM Progress

Erin Risley-Baird reported that the Infrastructure Funding Agreement/State Funding Mechanism (IFA/SFM) has been progressing. They are still waiting on some documentation that needs to be sent to the Oklahoma Office of Workforce Development (OOWD). OOWD will have a call with each WDB individually to work out any remaining issues. The biggest overarching issue that Erin sees is that in the Letters of Intent, many of those letters are not clear that the intent is to sign. Many said that the intent to sign is if I get approval, so we need to go back to the WDBs and outline what the remaining issues are, so we will be continuing work on this for the next few weeks. Some of the issues are just logistics that they are working out.

Update on Center Certification

Erin Risley-Baird stated that every area has completed their center certification process and all of the Boards have approved the center certifications and/or action plans for particular centers. She believes they have 32 certified centers in the state now and the majority of those are

comprehensive centers, and a few are affiliates. The specialized centers do not have to be certified. Erin said the next steps for our office is to start reviewing all of the documentation and looking at all of the criteria to make sure everything is correct. This will be a very long process and will require OOWD going out physically to each of the centers and then increasing that each year to make sure that all of that matches up. All of the Boards have approved them. She said there were a few that are on action plans that have been resolved, but there is one center that is on an action plan that is not yet resolved, but we expect it to be resolved. This includes the Western area which is a new area.

State Funding Mechanism (SFM)

Regarding the State Funding Mechanism (SFM), Erin said that everything in the IFA is the same as the SFM except for the last attachment. The last attachment (attachment I) we were waiting to put in but DOL gave us some guidance. The general rule is if enough is known for action and we put something on paper, and when DOL comes back and gives us guidance that something needs to be changed, we will change it. The issue is the way the DOL TEGL was written. The budget calculation is missing a critical piece. They have weights they want to apply to create a budget but they didn't actually give guidance on what you are supposed to apply it to. We've been working with the finance person at DOL and she agreed with us, but unfortunately she hasn't been able to get an answer from the National office and that was a big piece that we were waiting on. Erin said, basically the methodology to determine a budget for an area is for any reason the area does not agree upon a budget for each center. So, you can have a budget for each center or you can have an umbrella budget for all of the centers in an area. If for any reason a budget cannot be agreed upon, the TEGL and our policy requires a budget to be decided on.

We are using almost the exact methodology that we use to determine each area's allocation with funding because all of those factors are ones that we have to apply and we do it every year. So we take that and apply it. We are looking at all of the funds that come into the state for every single federal program to determine all of the different factors that go into a budget.

The next step is establishing the maximum partner contribution and the statewide cap. For us, we are just waiting for DOL to get us a few final numbers of allocations that come into the state, and we are still waiting on Job Corps. This is one program that because of the way their funding works with their contracts, and they've gotten sued for releasing information about contracts and budgets before, they are trying to determine how they can give us that information because we have to have that to finally put numbers in. We have modeled it with holdover numbers and everything works out the way that it should but again, the SFM is not nearly as fair as the local partner contributions. So the maximum partner contribution is determined for the entire state as a whole, and that is if all areas were to fail their local negotiations and it had to go to the state funding mechanism. You then ultimately get a percentage for each area of the whole statewide pot and then apply the individual partner cap.

Erin said that the actual allocation was already in the policy, our method for determining square footage, FTE, etc. The way that the funding mechanism works is if a budget isn't agreed upon, we determine a budget with that formula, we then see which area is triggering the SFM, we already know the percentages for each of those areas based on all of the factors and then we determine the partner caps for each area. That is then given back to the local areas to apply the

attached formula that was already in the policy. Erin said that there is still work to be done even after the SFM is triggered.

Ken Duke made a motion to approve the updated policy on the State Funding Mechanism. Valerie Thompson seconded the motion. No further discussion, the motion carried unanimously.

Old Business

None.

New Business

None.

Other

Richard McPherson asked Erin about reconciliation. Erin said the next steps are reconciliation and recovery. The law says monthly or quarterly it has to be reconciled. It does not say when it has to be recovered. She said our recommendation is an annual recovery. If you were doing a recovery every quarter, it is a lot more administrative work. We do have that laid out in the policy.

Next Meeting

The next meeting will be on February 9, 2018.

Adjournment

The meeting adjourned at approximately 2:31 p.m.

*Respectfully submitted,
Linda Emrich*