



Financial Committee Meeting Minutes (meeting held in-person with virtual Zoom option)

Members present: Committee Chair, Scott Sattler; Lisa Cook, Matt Crabtree, Stan Beel.

Members absent: Ron Huber & Steve Pinkley.

WDBSE staff present: Gretchen Morse, Sarah Wells, and Allysia Long

Tuesday, January 14<sup>th</sup>, 2025 – 9:30am-10:30am

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Mr. Sattler opened up the meeting. The new board member, Mr. Matt Crabtree was introduced to the group and thanked for being part of the financial committee.

#### Financial Overview

Ms. Wells discussed the second quarter internal monitoring of subcontractor, EDSI, focusing on their policies, procedures, and internal controls. She confirmed that all policies and procedures were in compliance with the Department of Labor's Internal Control Standards and that all salaries were within the required level. Ms. Wells also mentioned that there were no findings, concerns, or opportunities for improvement.

The committee discussed expenditure reports, budget allocations and expenditures of their programming. Ms. Wells clarified that the budget was at a 57% on program and 42% on participant, which should align with the 60/40 split once all funds are expended. She also mentioned the need to transfer more funds to WIOA Adult and FY24 to get the dislocated worker budget spent. Ms. Wells explained that the dislocated worker and adult budgets are fully transferable between each other. She also mentioned that they would be working on the dislocated worker budget transfer, possibly in February or March.

Ms. Wells discussed a new process for transferring WIOA dislocated worker funds, considering a lump sum up to 85% and temporarily transferring 50% over to adult. She also mentioned that they are 80% spent on WIOA adult programs, 38% on WIOA dislocated worker, and 75% on youth. Ms. Wells also noted that they spent an extra \$60,000 on participants and requested more funds from the State. The question was asked about the timeframe for spending the money, to which Wells clarified that the funds are valid until June of 2026. The committee also discussed the expenditure of other funds, with no further questions raised.

The committee discussed the financial obligations and plans for the last six months of the PY24. It was noted that a significant portion of the budget was obligated for ITA and work experience, with a deadline of June 2025. The Wagner Peyser contract was mentioned as fully spent, with a balance of \$61.24. The RESEA budget was increased to cover the year-end, and a new contract with Wagner Peyser was expected to be signed soon. The balance of a previous contract would be added to the new one. The Healthy Blue grant was discussed, with a potential increase in funding due to successful outcomes.

The budget for Healthy Blue was planned to be spent by December 2025, but there was optimism for additional funding.

Ms. Wells discussed new funds coming from the state to help offset expenses. It was mentioned that receiving Wagner Peyser, RESEA, and Business Service funds will supplement board staff salaries and participants funds to EDSI. Discussion on the potential for freeing up money for participants. Ms. Morse noted that she has requested additional funds from the Division of Social Services for SkillUp participant training expenses. Ms. Morse should hear something very soon from FSD on the request. Ms. Wells clarified that while the funds may not appear to be spent, they are obligated for participants who have started training or work experience but have not yet been invoiced. They ended the conversation with no further questions on the funds.

#### Independent Audit RFP & Financial Committee Chair

The committee discussed the draft independent audit RFP. There were no concerns with the draft. Ms. Wells emphasized the need for the independent audit report to be completed by December 2025. Motion to approve the draft independent audit RFP made by Mr. Matt Crabtree, seconded by Mr. Stan Beel, all in favor, motion carried.

The committee discussed the need for a new financial committee chair, with Ms. Cook expressing interest but needing a conversation with Ms. Morse first. Ms. Wells added that the state fiscal monitoring would be starting next month by Booth Management Consulting.

Motion to adjourn made by Mr. Matt Crabtree, seconded by Ms. Lisa Cook, all in favor, motion carried.

- Next Meeting – April 15<sup>th</sup>, 2025 9:30am-11:00am (admin office in-person with virtual option)