



Northwest Wisconsin Chief Local Elected Official Consortium Workforce Development Area #7

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The mission of the Consortium is to maintain the integrity of the WIOA funds.

Date & Time: Wednesday – August 21, 2024 - 10:00 a.m.

Location: NWCEP Office – Ashland, WI & Via Zoom

MEETING MINUTES

CLEOs Present:

Charlie Glazman, Douglas County
Terry Wedwick, Rusk County
Steve Kariainen, Sawyer County
Larry Fickbohm, Bayfield County
Bob Olsgard, Washburn County
Larry Youngs, Iron County
Patricia Stephan, Price County
Emmett Byrne, Burnett County
Elizabeth Franek, Ashland County - Zoom

Excused:

Rollie Thums, Taylor County

Staff/Guests:

Skyler Dural-Eder, CEP
Jennifer Decker, CEP
Mary Zinnecker, CEP
Bob Kopisch, CEP Board/LEO
Mari Kay-Nabozny, NWWIB
Bill Kacvinsky, CEP Board
Michelle Smith, CEP
Brent Blomberg, Burnett County Alternate
Melissa Rabska, NWWIB
Sue Stephens, CEP
Tom Gordon, Sr. CEP Board
John Chamberlin, Workforce Attorney-Zoom
Ron Painter, Former NAWB President- Zoom
Steve Laesch, DWD
Stephanie Elmer, DWD
Tara Cowe-Spigai, DWD
Lauren Schrubbe, DWD
Sean Jackett, DWD
Linda Thompson, DWD
Al Krause, DWD
Dee Gokee-Rindal, CEP Board
Jennifer Schuelke, CEP- Zoom
Kelly Klein, NWWIB Board Chair
Winnie Momberg, CEP - Zoom

Call Meeting to Order

Charlie Glazman, Consortium Chairman called the meeting to order.

Roll Call & Report of Public Meeting Notice

Roll call was taken, a quorum was present. The public meeting notice was published on the CEP website, social meeting, area library websites and County Government websites.

Approval of the 8/8/2024 Meeting Minutes

A couple changes were noted. Steve Laesch and Steve's Kariainen's last names were misspelled and Brent Blomberg was present in person not zoom.

Bob Olsgard made a motion to approve the 8/8/2024 meeting minutes as amended. Seconded by Emmett Byrne. Vote taken, carried.

Mission Statement

Bob Olsgard stated that the mission of the Consortium is to maintain the integrity of the WIOA funds by the Chief Local Elected Officials.

Discuss WDA #7 Governance Structure & Next Steps – CLEOs & DWD Staff

Stephanie Elmer, DWD Bureau of Workforce Training Director said state of Wisconsin DWD staff started looking at our governance structure in NW Wisconsin and raised some questions to make sure that everything is working in line with the Workforce Innovation and Opportunity Act (WIOA) in WDA #7. She reviewed the CEP history and said there are misconceptions and what that means in practice. She discussed conflict of interests. She said back in the spring, they heard from the CEP Executive Director and the WIB CEO and they did some deep history on how the Rural CEPs have been grandfathered in over in time which she explained in a PowerPoint. She noted that CEPs are locked in as a local area in the WIOA legislation and the geographic boundaries are preserved. She discussed the CEP legislation language cited under WIOA. She went through the various workforce legislation and noted that each version changed the role of a CEP. In WIOA it preserves the local area. She explained the WIOA system and how it works. She noted that each area has to have one comprehensive Job Center. The CLEOs have a number of responsibilities which she explained and that they serve as the grant recipient for WIOA funds. She explained the Fiscal Agent role under WIOA. The Fiscal Agent is appointed by the CLEOs. She explained that the CLEOs are responsible for any misuse of funds. The WIB is required to complete a number of functions under WIOA. They're responsible for the one stop system, providing oversight, negotiating performance measures and providing policy and guidance to service providers. They're responsible for the strategic plan and establishing the WIOA budget for the local area and could procure for youth, adult, dislocated worker service providers and the OSO role. She said service providers are selected through a competitive procurement process. Stephanie noted that CEP has historically been the service provider. The Youth funds are competitively procured and the Adult and Dislocated worker program is sole source by the choice of the NWWIB. She noted that a sole source is an option as there is not a lot of competition to deliver the WIOA services in our region. Mari noted that NWWIB does not procure Adult and DW services in our region at this time as there has not been a need to for performance reasons and only procure youth services once every three years as long as all contracted performance and outcomes are met. Stephanie noted WIOA does not require competitive procurement of Title 1 Adult and DW services although it can occur.

She said the challenges are the conflicts that are muddled. They displayed a process flow chart of WDA #7. She explained how other WDAs work which is different than a CEP designated area. She said in most areas, the WIB is the fiscal agent and money flows to a service provider through a contract. In this area CEP is the fiscal agent and the service provider, and she explained the structure. She said since CEP is the fiscal agent and service provider, there's a conflict and could prevent the WIB from completing the required WIOA functions by not giving them the money they need. She noted what WIOA envisions is the CLEOs at the top as grant recipient making decisions that are in the best interest of the workforce system and WIOA in the region. In this area, CEP Board and CLEO consortium has overlap with some extra non CLEO members. The CLEOs have to act in the best interest of the WIOA funding. She explained the voting on agreements which could be a conflict since those who have conflicts of interest would have to recuse themselves leaving a quorum concern. The WIOA Act says the CEP Board shall act in consultation with the CLEOs. WIOA act addresses where entities can act in multiple roles with firewalls in place. She said with the fiscal agent and the service provider CEP, there's no clear delineation of those duties. The CEP has access to the money and pays the WIB to provide oversight over the entity that holds the money. She asked if the WIB is performing their 17 functions and does CEP do some of those duties? Bob Olsgard noted that the separation of powers is hard to maintain with shrinking funds. He doesn't see a ready solution yet.

John Chamberlin, Workforce Attorney noted over half of all rural areas nationally are the WIOA fiscal agent and the service provider, performing the same functions which is a common model and is provided for in the final regulations. John noted that if you have a separate fiscal agent, OSO, WIB and service provider model, it costs a lot more money. He asked how do we come up with a model that is affordable under the decreased budget that doesn't get revisited every year or two? John noted that DOL put language in to have a written agreement and has voluminous regulations under WIOA but has zero guidance on how to build a firewall. John noted that firewalls are an eye of the beholder issue and can be put in place. John noted it costs more money for two sets of staff in our model. Stephanie noted there is a firewall agreement on paper but their concern is whether that is being practiced. Mari noted no matter what model, there will be costs that are duplicative as there must be a workforce board and there must be a service provider and in all models there is duplicative overhead costs unfortunately. John noted whatever model you have, or in the case of CEP, you have to have independent oversight of the service provider and not having an entity overseeing itself, noting that's decided locally as there is no federal guidance on the firewall. John noted that CEP has an advantage to being locked in as a local service area under current WIOA and is still subject to the rules under WIOA but cannot have our boundaries shifted unless the CLEOs and Governor agree. John noted that DWD pointed out there's a potential conflict in our area's budget process and we may want to get technical assistance from the state on that. Ron Painter, former National Association of Workforce Board's President noted that first is the law is clear, the role of fiscal agent is to pay the bills through a written agreement between the WIB and CLEOs, to carry out activities that are part of the Local Plan. He noted they have no authority other than to pay the bills, prepare/maintain reports and maintain fiscal integrity. He asked what is the agreement between CLEOs, WIB and CEP and what services are in the WDA 7 local plan? It was noted that the newest governance model was adopted due to conflicts with the old CEP/WIB joint model and now we have issues with the new model. Dave felt we need to focus on the Firewall agreements. Elizabeth Franek commented that she wishes we could reach an agreement because the goal to help job seekers and people in need. She noted that the state is here, the message is, we need more money. She noted that less help to people is a detriment to society. Ron noted that it's time to contact members of Congress. Dave Willingham noted he appreciates the number of DWD staff coming to Ashland due to the distance.

Action Item: Review/Approve NWWIB WIOA Budget Allocations – CLEOs

Charlie Glazman reported that the last budget discussion with Mari for the WIB to operate was set at \$103,000. Charlie asked for questions. Terry asked about the OSO function. Mari noted it goes out for bids every four years and there will be other entities who may respond to the RFP and she's not sure the NWWIB will be selected by the state as the OSO. Mari explained the OSO functions, noting she has made an effort to reduce the OSO budget. The OSO oversees the workforce system and partnerships, performs continuous improvement, and the MOU and IFA development and reconciliation as well as supports the Job Centers. The minimum budget for OSO is \$3,500.00. Bob noted that pain has to be shared by both entities. Mari noted the NWWIB has laid off one staff person effective 8/23 and reduced the proposed budget by 60% in order to share in that pain. She noted that there are not additional staff members to lay off as they are not WIOA funded staff.

Mari noted that some WIB activities are not administrative and should be covered from program. Stephanie described the 10% administrative function and what duties that entails including the de minimis. Bob noted the cash draws from the WIB does not indicate whether its admin or program. Mari noted this will change. Mari noted they didn't get clarification on what the fiscal agent wanted in regards to documentation. Discussion took place about the fiscal agent fee which comes out of admin funds. It was suggested that the admin and program allocations be broken down. Mari indicated she can get this done in a day.

A motion was made by Steve Kariainen to postpone the WIB budget request in order to get a break down of costs of their allocations. Bob Olsgard seconded. Vote taken, carried.

Comments & Announcements

The Consortium expressed their appreciation for DWD's visit to CEP.

Terry asked what the next steps are. Charlie noted that we need to look at the Firewall agreement per John Chamberlin and Ron Painter. Terry Wedwick noted that listening to John discuss other service models that are more efficient may be worth looking at. Stephanie mentioned looking at other agreements that may impact conflicts and will keep in mind the funding constraints. Stephanie said this will be ongoing and they will explore other models and will follow up with Mari and Skyler. She noted that there will not be a quick fix but DWD will help and work with DOL partners as well on this. It was noted to get these items resolved and to focus on the goal of helping people.

Next Meeting Date & Location & Adjournment

It was noted that the Consortium will meet on Friday August 23rd. at 2:00 p.m. via Teams.

Emmett Byrne made a motion to adjourn at 12:00 p.m. Seconded by Larry Fickbohm.