



ADMINISTRATIVE OFFICE

417 9th Avenue West

PO Box 616

Ashland, WI 54806

P 715.682.9141 W nwcep.org

NWCEP BOARD OF DIRECTORS

Wednesday, May 15, 2024 – 11:30 a.m.

NWCEP Office – Ashland, WI & Via Teleconference

MEETING MINUTES

Present: Bill Kacvinsky, Dave Willingham, Emmett Byrne, Bob Kopisch, Terry Wedwick, Patricia Stephan, Thomas Gordon, Sr., Dee Gokee-Rindal, Bob Olsgard, Steve Kariainen, Charlie Glazman, Larry Youngs, Bob Olsgard, Larry Fickbohm, Elizabeth Franek-Zoom

Excused: Rollie Thums

Staff/Guests Present: Jeff Muse-CEP, Jenny Decker-CEP, Michelle Smith-CEP, Skyler-Dural-Eder-CEP, Mary Zinnecker-CEP; Brent Blomberg-Burnett County alternate-Zoom

Call Meeting to Order/Roll Call

Bill Kacvinsky, CEP Board Chairman called the meeting to order. For the record, the public meeting notice was published on the CEP website, social media, the area Library System, and the area County government websites in WDA #7. Roll call was taken, a quorum was present.

Pledge of Allegiance: The pledge of allegiance was recited by all in attendance.

Welcome & Introductions of Guests

Several new CEP Board members introduced themselves. Bob Olsgard was introduced as the new CEP Board member representing Washburn County. Steve Kariainen was introduced as the new CEP Board member representing Sawyer County. Larry Youngs was introduced as the new CEP Board member representing Iron County. Everyone else introduced themselves.

Mission Statement

Dee Gokee-Rindal reported that the mission of CEP is to strengthen the economy of northwest Wisconsin by providing effective and efficient workforce development services to businesses and workers.

Appointment of CEP Board Member to CEP Board Executive Finance Committee

Tom Gordon, Sr. made a motion to appoint Rollie Thums to fill the vacancy on the CEP Board Executive Finance Committee. Seconded by Bob Kopisch. Vote taken, carried.

Approval of the Meeting Minutes from 4/17/2024

Tom Gordon Sr. made a motion to approve the 4/17/24, meeting minutes. Seconded by Dave Willingham. Vote taken, carried unanimously.

NORTHWEST WISCONSIN CEP

Strengthening our region, one person, one business, one job at a time.

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Client Success Story

Jeff discussed a client success story. He reported a number of clients have found a job and assistance through CEP's Facebook job site which is a testament to the staff who are innovative at posting numerous, quality job leads and other services CEP offers.

Executive Director's Report – Jeff Muse

- Jeff reported that Terry Whitworth CEP's Career Planner in Superior resigned. We have not filled the Career Planner position in Ashland.
- He reported that we're at the end of our funding cycle with the WIOA Title 1 Adult funding services until the new funding year begins July 1st.
- Jeff reported that we met our performance goals with the WIB.
- Jeff reported that CEP will be operating a robust summer youth program partnering with DVR by serving four Native American Tribes in our workforce area.
- He noted we're wrapping up our audit.
- Jeff noted we're following the WIOA reauthorization that's headed to the U.S. Senate.

CEP Current Financial Status Update

Jeff reported that CEP ended up with a budget shortfall due to being overspent in our WIOA Adult Title 1 funds. The new funds will begin in the fiscal year of July 1st. Jeff discussed options to help in this funding crunch. He discussed loans from the counties that CEP would reimburse. Jeff noted a huge savings will be with the termination of our contract with WIPFLI and some other IT expenses. We're also looking at reductions in WIOA and other obligations to scale back on. Elizabeth asked if there are any ARPA funds from the counties.

Bob Kopisch reported that the CEP Executive Finance Committee met prior to the CEP Board meeting to discuss options and to take action on. Some of the funding issues are in regards to when expenses are reimbursed. It was noted that the WIB staff are on CEP's benefits plan (healthcare, 401k, short term/long term disability). It was noted that the WIB pays retroactive to when these invoices are due which puts CEP in a financial bind. One option being reviewed is instituting a 10% admin fee on the amount of work CEP staff does on WIB staff's benefits and to create an MOU that clarifies this. The WIB would have some options, such as paying these invoices ahead of time or go on their own. The current healthcare plan for the CEP and WIB staff ends in November 30th. It was pointed out that CEP is the fiscal agent for the federal WIOA funds and receives cash requests from the WIB for their expenses. CEP is having issues getting specific detail and receipts for WIOA expenses. Discussion took place on the breakdown of cash the WIB requests from the fiscal agent, what it's used for and what amount is required to perform their functions. It was noted it's for internal program monitoring and oversight. It was noted there are items which are questionable such as oversight that needs more clarification. Bob Kopisch noted the Fiscal Agent agreement is clear on this process. It was pointed out that the Counties are responsible for any misuse of funds. It was noted that this is going to require the Consortium to take this over as they're responsible for oversight of the WIOA funds and the WIB. The fiscal agent agreement with the WIB expires June 30th this year. CEP needs a better agreement, along with increasing the fiscal agent fee to \$27,500. A question was raised on whether there is any performance monitoring done on the WIB for the work they perform.

Solutions were discussed regarding CEP's financial situation. One suggestion was to obtain a loan from the Counties which would be payable back to them. Bob said it's up to the Counties to consider this. Another issue pointed out is that when CEP lost their in house Finance Director, they hired a public accounting firm WIPFLI. It was noted that financial statements have not been forthcoming from them. The Board needs a regular balance sheet so they can stay more on top of things, knowing what cash comes in and goes out and something that is easy to understand. Bob Olsgard and Emmett said it would be helpful to have a short narrative summary to bring back to the Counties on this funding situation. It was noted that CEP will create something in writing to deliver to the counties. It was noted that we have to explain this is due to the reimbursement process that caused the deficit situation CEP is in. Dave mentioned the County 51 system that would advance expenses and then the counties would be reimbursed. Jeff noted that the work we're doing to help the most at risk in our community is where we want to put our resources towards. It was noted that we have to develop a plan this year, so we're not in a deficit next year.

A motion was made by Dave Willingham to instruct CEP staff to inform the WIB staff that the CEP Board is asking for a prepayment from the WIB for their benefits and a 10% admin fee for handling their benefits and to review this agreement on December 1st. Seconded by Bob Kopisch. Vote taken, carried unanimously.

A motion was made by Bob Kopisch that the CEP Board requires sufficient detail as required in the Fiscal Agent agreement regarding the WIB cash draws from the fiscal agent or no payment will be made. This will be forwarded to the Consortium for their approval. Seconded by Tom Gordon, Sr. Vote taken, carried unanimously.

A motion was made by Charlie Glazman that CEP Board develops a new Fiscal Agent MOU in regards to better documentation of monies that we're allocating to the WIB that better reflects the wishes and responsibilities of the CEP Board to forward to the CLEOs for approval. Seconded Larry Fickbohm. Vote taken, carried unanimously.

Action Item: AADC Loan

Jeff reported that when we moved the Ashland Office, we looked to the Ashland Area Development Corporation (AADC) for a loan to cover the moving expenses. The Board grants Jeff permission to sign off on the AADC loan.

Charlie Glazman made a motion to approve the CEP loan application to AADC. Seconded by Tom Gordon, Sr. Vote taken, carried.

State & Federal Updates

Already discussed.

Comments & Announcements

Terry Wedwick asked what will be provided to the County Boards from CEP regarding a loan request? Jeff noted he will put together a strategy.

Next Meeting Date/Location & Adjournment

The next meeting of the CEP Board of Directors will take place on Wednesday, June 19th at 10:30 a.m.

The meeting was adjourned at 1:00 p.m.