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WV Workforce Development Board  
March 22, 2023  
1900 Kanawha Blvd. E, Building 3  
Meeting Minutes

**Member Attendees:** Scott Adkins, Stephanie Ahart, Jason Asbury, Phillip Cantrel, Michael Chirico, Steve Cox, Mendy Marshall Designee for David Roach, Tara Martinez, Honorable Jay Powell, Randy Rapp, Abby Reale, Jeffrey Rowe, Casey Sacks, Lorrie Smith, Diane Strong, Josh Sword, Jennifer Tenney, Kelly Thompson, Ann Urling

**Members Attending Virtual:** Paul Espinosa, Jennifer Griggs, Pedro Machado, John O’Neal, Sean Sawyer, Michael Sirockman, Jennifer Smith, Heather Vanater, Jason Wilburn, H. Julian Woods

**WorkForce WV Staff Attendees:** Nick Allen, Rachel Bowman, Regina Brogan, Michael Crown, David Dyer, Amber Jackson, Angie Johnson, Chad Ketchum, Lisa Lilly, Criss McCauley, Maureen Persons, Jane Shinn, Carrie Sizemore, Edwina Tanner

**Audience:** Melissa Bias, Region 2; Barbara Dawes, Region 1; Rosemary Guida, Region 5; Maria Larry, Region 6; Matthew Martin, Region 7; Will Monterosso, Region 4; Julie Norman, Region 3; Christopher Settles, Kanawha County Deputy Attorney; TJ VanMeter, Region 7

**Introductions, Opening Remarks & Approval of minutes:** Approval of minutes from the December 14, 2022, meeting was conducted. Motion to move; seconded; and passed.

**Updates from Governor’s Office:** Ann Urling, Governor’s Office

Introductions around the room were conducted. Several new board members have joined our Board. This is an important issue to our State, important that we pull the right levers and make the right changes. As the Governor would say, having everyone pulling the rope in the same direction. We are going to hear some things about economic development. We have exciting things going on in our State. We have very big announcements that have been made. We have the opportunity to bring a lot of jobs to our State. We need people to fill these jobs. We need fresh ideas on how to do that. One of the things we looked at when trying to fill the different slots, was where we have a very low participation in our workforce. You will hear about the Roles and Responsibilities of the Board. It’s really important to look at the big picture of the state as a whole. How do we break down the barriers and make it easier for those with barriers to employment. It’s important we look at things from agency to agency. We have made a lot of forward progress but there is a lot more for us to do.

**Roles & Responsibilities of State Board Members:** Mason Bishop, WorkED Consulting

Mr. Bishop presented on the strategic design and delivery of the State Workforce Development Board with a main focus on their Roles and Responsibilities.

*State Workforce Development Board*

- Why does the State Workforce Development Board exist and what does it do?
  - The Workforce Innovation and Opportunity Act (WIOA) requires the State WDB and identifies members. The WIOA regulations at 20 CFR Part 679.130 identifies the functions of the State WDB, which assists the Governor in the following:

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- Development and implementation of the State Plan
- Development and updating of comprehensive state performance and accountability measures to assess core program effectiveness
- Development and review of statewide policies
  - Policies that align workforce development programs to support to comprehensive and streamlined workforce development system
  - Policies that ensure coordinated provision of services through the State’s one-stop delivery system
    - ✓ Objective criteria and procedures for use by Local WDB’s in assessing effectiveness, accessibility, and continuous improvement of one-stop centers
    - ✓ One-stop infrastructure funds (in lieu of local MOU)
    - ✓ Appropriate roles and contributions of partners in the one-stop delivery system
- Continuous Improvement of the Workforce Development System
  - Better coordinate, align, and avoid duplication among programs and activities
  - Strategies to support career pathways
  - Strategies to provide effective outreach to and improved access for individuals and employers
  - Development and expansion of strategies to meet the needs of employers, workers, and job seekers particularly through industry or sector partnerships
  - Identification of regions, including planning regions and the designation of local areas after consultation with Local WDB’s and chief elected officials
  - Strategies to support staff training
- What should the State WDB do? What opportunities exist?
  - Statewide workforce development strategies rather than programs.
    - Secondary to postsecondary transitions
    - Employment and training strategies for difference geographic regions
    - Urban vs. strategies
    - Strategies for targeted populations
  - Aligning the supply of labor with the demand for labor
    - Leading sector strategy initiatives
    - Overseeing integrated business outreach strategies
    - Educating employers and intermediaries about industry credentials and alignment of skills with occupations
    - Helping system providers understand hiring/occupational trends

Discussion around the room on strategies for the board. Organization chart of the groups from the board to be presented and readily available for each member.

*Ann Urling* – Coming out of our legislative session, we passed a bill that allows our children to enroll in college and take college classes while still in high school and have it paid for. This helps ramp up our children and launch them to be excited about what they are learning. When West Virginians get a job and go to work, they stay. They don’t go away; they don’t job hop. We have children that have support, but we also have children that don’t have the support they need. What are the barriers on an individual level and how do we help that individual. There is a lot of opportunity to give our children a hand up in their future.

*Open discussion:* Employers are losing employees when they just walk off and are not reachable. They don’t know how to work. Never been taught. Employers are paying \$25 just to show up for the interview and then paying a sign-on bonus. More so with the younger workers, I think it’s just their work ethic. Generational issue where mom and dad say, don’t work. The system takes care of you.

*Mason Bishop* – We are going to develop 5 draft charters for you to take those charters and work on them; one will be youth groups. We are going to have sub-committee’s that will focus on specific issues that will bring them here to the full board. Coming out of this meeting, if each of you could come up with 3 priority areas, this board should be working on; we’ll bring those to the table at the next scheduled meeting.

**WorkForce WV Policy Updates:** Angie Johnson & Amber Jackson

Policy was posted on the West Virginia website for public comment.

- *Policy 03-23 One Stop Operator Procurement Policy (Amber Jackson)* – This policy provides guidance on requirements for agreements between local workforce development boards (LWDBs) and operators of one-stop centers under the Workforce Innovation and Opportunity Act (WIOA), including information on avoiding conflicts of interest. WIOA sec 3(41) defines a one-stop operator as one or more entities designated or certified under WIOA sec. 121(d) WorkForce West Virginia (WFWV) oversees 7 local workforce regions, which includes 13 comprehensive one-stop centers. Each LWDB in West Virginia must follow and include this policy in its own policies and procedures.

This policy will replace the current WorkForce West Virginia One Stop Operator Procurement Policy 4-17.

*Open for discussion and comment.* The Local Workforce Development Boards have the ability to participate in the procurement process under the state policy and their local policy, if they are selected by the third party or by the committee of their board, to serve as the One Stop Operator, they must request an approval letter from the Governor’s Office. This letter is only good for the term of 3 years. With that being said, if there is a vote with their local board to procure and release an additional RFP can re-evaluate operator within that 3-year period, the Local Workforce Development must participate in the One Stop Operator Procurement process.

The One Stop Operator can be a non-profit or a for-profit entity that is located within the local area. The normal responsibility of the One Stop Operator is the American Job Center, the office location, the coordination and collaborating with the partners, information sharing, and leading the cross training that is required under the Workforce Innovation and Opportunity Act.

*What type of protection or firewalls do you have in place for One Stop Operator?* There are firewalls in place to protect and to make sure the One Stop Operator is in compliance. Workforce WV conducts annual monitoring on the Development Boards.

*Help me understand what our, State Board, purpose is to the relationship with the local boards?* The purpose of the State Board is to help drive workforce development in West Virginia. To ensure we are coordinating and collaborating, ensuring the workforce development system in the local areas are structured the way we see, or the State Board has determined as a need across the state. WorkForce West Virginia is tasked with development of policy to present to the State Board with Title 1 funding. The Local Workforce Development Boards are a part of Title 1 funding.

*Casey Sacks – Could you tell us what this policy results from:* This policy is a result of the monitoring that took place in April 2022. WorkForce West Virginia was monitored for Title 1 programs by the Department of Labor. As results there were some issues found in the 2 regions that were monitored regarding the One Stop Procurement Process. We wanted WorkForce West Virginia to be in compliance.

Motion on the floor made by Steve Cox to approve; motion seconded by Diane Strong. All in favor, opposed; motion carried. Policy approved as is.

- *Policy 03-23 Common Identifier for the WorkForce West Virginia State and Local Systems (Amber Jackson)*– This policy provides guidance for the Common Identifier for the WorkForce West Virginia State and Local American Job Center Systems

Before we discuss, I want to point out that this policy is also a result of the April 2022 monitoring by the Department of Labor. Based on the federal regulations we are required to have a common identifier. The purpose of the common identifier is to identify the American Job Center. It relays the understanding and the information to the residents of WV that this American Job Center represents a consortium of partners either collocated or as an access point within a specific area. This does not override any entity or agency specific logo. Their logos will be a component to the signage.

This policy will be for anything moving forward from today. This will be a part of the IFA. This will be a shared cost. Everyone is contributing to the cost. WorkForce is in the process of creating a MOU & IFA to the effect. That MOU will be brought to the Board for approval.

Motion for approval. Motion on the floor was made by Randy Rapp; motion seconded by Steve Cox. All in favor, opposed; motion carried. Policy approved as is.

- *Policy 01-23 Compensation Policy (Angie Johnson)*– This policy identifies the compensation limitation requirements for Workforce Innovation and Opportunity Act (WIOA) funded employees.

Stephanie Ahart recused herself from the discussion/vote on the compensation policy.

Level II of the Executive Schedule listed on the Federal Office of Personnel Management website states if the State is a recipient of WIOA funds, the State may establish a lower limit than is prescribed by Level II of the Executive Schedule, taking into account factors including the relative cost of living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administers the federal programs involved.

Upon checking the Cost-of-Living Adjustments (COLA); the WorkForce West Virginia executive compensation limit will be modified annually for an average cost-of-living adjustment (COLA). The COLA rate provided by the Social Security Administration will be included in the calculation, up to 5%. All Local Workforce Development Board staff salaries statewide will be averaged, and the COLA rate, up to 5% applied to that average. This calculation will determine a flat increase to be applied to the executive compensation limit.

The Executive Adjustment Compensation Limit will be posted on WorkForce West Virginia website annually.

*Why is WorkForce West Virginia suggesting this policy?* Last year during a monitoring review, one of the regions paid a significant bonus to one of the directors. In order for WorkForce West Virginia to perform a test of reasonableness we had to pull the other 6 executive director's wages for a market comparison. The wages of the 7 directions varied greatly across the state. What does the wages look like historically? We assembled a 5-year look-back. The data you see pulled mostly from budgets that have been submitted by the Workforce Development Board's when applied for their grants. In reviewing the numbers for the past 6 years, some of the wages have increased dramatically, between \$20,000 to \$30,000.

*How does this impact the customer answers?* A chart was shown for each region of how much money they were awarded; the dollar expended on overhead and the percentage; and the dollar expended on direct services and the percentage.

The goal is to limit the overhead cost to assure more dollars are being spent to serve West Virginia participants. We are working with USDOL and looking at some other states that have a policy in place for a required minimum on training costs.

Market Research for all 7 regions budgeted for 2021 - Salary \$88,244; WV Constitutional Salaries are statutory mandated at \$95,000; North American Industry Classified System NAICS 8132 Grant Making and Giving Services \$66,500.

The suggested revision after some questions and feedback WorkForce received: Pursuant to this authority on establishing a lower limit, WorkForce West Virginia limits its executive compensation allocable to WIOA Title I funding to \$90,000 annually.

This CAP was meant to limit the dollars being charged to WIOA Title I not to CAP executive director's salary. If they have other funding sources, the CAP does not apply to that. Its just specific to the portions charged to WIOA. If the local board members and the CLEO's feel strongly that their executive director's should make more than the CAP, they have the opportunity to raise difference from other sources. This is not meant to cap their gross salary in their position. The intent of this policy is for the good of the program and benefit of the customers.

This policy was posted on WorkForce WV's website for public comment and for key stakeholders comment. We did receive comment from the seven workforce development board directors. Those comments are available for your review.

*Discussion on policy was held:* Chris Settles read a letter on Commissioner Carper's behalf. The letter has been made part of the official file. Attached to the minutes.

Rhetorical question from Kent Carper. Did any of the executive director's bother to have the consent of their board or their CLEO for their position today? Region 3 did not have the consent of the region 3 board or the CLEO today.

Questions brought to the board consisted of what the national average of salary is and how they compare? The conversation with USDOL is what is healthy? We were referred to Virginia who allows 40% of the awarded amount. We are trying to review what is a healthy number for your budget. What percent of the salaries are you referring to that come from other means? Most of the regions are completely covered by WIOA. Maybe a little of some other agency funding. I am not aware of any private sources of funding in any of the regions. Why do we call for setting someone's salary instead of saying here's what we suggest?

An example was given of one region salary compared to another region from an economic standpoint.

Discussion from Local Workforce Development Boards was given on their standpoint of the Compensation Policy.

Question was brought: Is the COLA rate capped at 5%? The COLA follows the Social Security Administration CAP accuracy. Social Security Administration could be 3% one year, then next year it could 8%. We stay at 5% annually.

*Randall Rapp commented on the chart of salaries comparing the 7 regions; WV Constitutional salaries; North American Industry Classification System (NAICS) stating that with the position the executive director's hold, you have to have competitive salaries to keep someone in that position. He does not agree with the policy.*

The Regions questioned how WorkForce came up with the numbers that was presented. What is in the direct cost? Asked for budget of service provider, looked at the budget of the service provider; identified direct cost, salary for service and what were salaries, fringe, travel.

Breaking down the indirect cost and direct cost was discussed as maybe being more helpful. It would be more helpful to see the administrative cost along with the executive director salaries.

Six of the regions have a Cost Allocation Plan that has to be submitted to WorkForce for approval. There is only one region that uses a fiscal agent with a negotiated rate. They have to submit to WorkForce their plan on how they are going to allocate cost. When they are monitored, required monitoring, they submit a methodology they are going to use, to see if they follow their methodology. With WIOA funds there is a 10% administrative cap. So that is different as well.

*Amber Jackson, Casey I want to go back to your question originally: Why are we not driving the full funding to the Workforce Development Boards? We wanted to make sure we were 1-Being good stewards of federal dollars as far as WorkForce WV is concerned at the grantee level. 2-We want to ensure that the fiscal controls we have in place are in compliance with the guidance. In addition to being fair and applicable we are allowing that opportunity for those federal dollars to be used in the local areas. I want to mention the bonus reference was identified in a monitoring; it is allowed if it is in a CFR. However, there was not a policy in place. That is what brought us to this point today.*

Question concerning the finding as to whether it was at the federal or state level. The finding was made by WorkForce West Virginia.

WorkForce West Virginia, as the grantee, with the Division of Labor, agreed to create a policy to prevent additional bonuses to be paid with WIOA Title I funding. We wanted to ensure that the audit finding was not an option again within the Workforce Development Boards.

The majority of their funding comes from WIOA Title I funding. I know one of the regions has an ARC Grant, I'm pretty sure they all receive funding from DHHR, E&T Grant, so there is additional funding some of them receive outside of the WIOA Title I.

Statement made verifying that WorkForce is stating the cap on the salary is on the WIOA Title I funding not any of funding the local board receives. They can receive salary from other means if their LEO's and CLEO's agree to give them that salary range.

Comparison/statement made on the different regions concerning their economy and salaries. No region is the same. Statement made that salary should not be based on what another region makes.

This policy is only focused on the executive directors. Moving forward it would be effective July 1, 2023.

Casey Sacks recommended the policy be tabled. Randy Rapp seconded the motion. All in favor, opposed; motion carried.

- *Policy 02-23 Allowable Cost Policy (Angie Johnson) To provide direction on compliance with federal requirements regarding Workforce Innovation and Opportunity Act (WIOA) expenditures.*

With WIOA funding you have federal mandates, uniform guidance. This policy summarizes what is allowable, allocable, WIOA Adult and Dislocated Worker Activities and Use of Funds, Training Services, Permissible Local Activities, WIOA Youth Activities and Use of Funds, Basic Cost Principles, and Unallowable Cost.

After the policy received comments from key stakeholders during the comment period, we are suggesting the following revisions:

- **IV. Basic cost Principles: Bullet 9**, Not used for cost-sharing or matching any other grant agreement, **except where otherwise authorized by statute. (2 C.F.R. § 200.403)**
- **Additional Unallowable Expenditures:** Delivery fees. **(Delivery costs for equipment/supplies are an integral part of those assets and are allowable.)** pg. 16 of policy

- **Additional Unallowable Expenditures:** ~~Installation costs for equipment purchased with WIOA funds (expenses for installing equipment or materials including wiring are not allowed. WIOA funds may be used for professional development for the use or set up of equipment)~~ pg. 16 of policy

Motion on the floor and a second. We have an amended motion on the floor then table due to the policy referencing the Compensation Policy by Casey Sacks and a second. All in favor. Motion carried.

**No Wrong Door/Sub-Committee Sign-Up Email:** Lorrie Smith

Lorrie Smith explained and presented the No Wrong Door platform. [Nowrongdoor.wv.gov](http://Nowrongdoor.wv.gov) We want all West Virginians to be able to access resources that can ensure their success in seeking and obtaining meaningful career employment. Navigate the chaos and complexity of accessing training, education and employment-related support services where there is NO Wrong Door.

*Find Help Resources*

- Education
- Training
- Work Resources
- Transportation
- Legal
- Housing
- Goods
- Health
- Food

Example was given on a single mother with a barrier to employment trying to get help. The No Wrong Door platform will allow her to access and enter information to help her get to where she needs to go.

**Economic Development Update:** Secretary Mitch Carmichael

First, I would like to say “Thank you” for what you do; helping people become productive members of society; teaching your family good values. My job is to create jobs and opportunities for West Virginia. Between 2017 and 2021, West Virginia had a \$6.2 billion dollars investments. Capital investment in 2017 – 2021 there had been \$6.2 billion In one year from 2021-2022, West Virginia brought more than 4 years combined; \$6.3 billion dollars in investments.

- NuCor
- Commercial Metals
- Berkshire Hathaway
- Form Energy is bringing 750 advanced manufacturing jobs in West Virginia

*We are catching the attention of businesses.*

1<sup>st</sup> we are the perfect geographic location. The position of WV, within 500 miles radius is 50% of America’s population and 30% of Canada’s population. According to the Bureau of Labor Statistics (BLS), West Virginia has the most loyal workforce in America. West Virginian’s will travel further to get a great job than any other American.

We are really setting all kinds of records for great jobs, good opportunities. I hope these opportunities help you to create jobs.

**Other Business / Adjournment**

**Any questions or comments? Meeting adjourned. At 1:04 p.m.**