

OAHU WORKFORCE DEVELOPMENT BOARD

innovation + opportunity + economic growth + human capital

FINANCE COMMITTEE MEETING

Wednesday, December 5th, 2018 – 1:00pm to 2:30pm (approximate)

American Job Center Dillingham – Conference Room

1505 Dillingham Blvd., Room 110, Honolulu, HI 96817

MINUTES

Attendees: Tim Wong (Committee Chair), Rodney Lee, James Hardway, Leinaala Nakamura, Erick Pascua

Quorum met

Staff: Alison Lum, Justin Sarce

I. Call to Order

Committee Chair Tim Wong called the meeting to order at 1:07 P.M.

II. New Business

A. WorkHawaii to discuss plans to spend remaining PY17 funds before 6/30/18

The service delivery model was designed based on a TEGl 8-15 requirement that 20% of youth program activity funds to be spend on work experience. Staff time spent on work experience activities throughout the service delivery model will be counted towards that requirement.

The Youth Program will leverage some YouthBuild elements such as creating cohorts as part of the service delivery model. There will be two (2) cohorts per year of approximately 30 youth in each. The first cohort will start from January to June and the second from July to December. Youth who enter the program will begin with a mandatory 5-to-6 months of academic training to obtain their Competency Base (CBase) certificate. Youth will subsequently participate in job shadowing and will be one per month with a minimum of 3 hours per job

shadowing. The youths who participate in job shadowing have the opportunity to earn \$50. At 30 youth per a cohort for 6 months, \$300 per youth equates to \$9,000 per cohort for job shadowing. During this time, LCC will offer classroom training at the college and AJC directly related to preparing youth for mandatory work experience in the next element of the youth program. Classroom training per cohort is \$36,000 where they will be taught essential communication and computer skills for both in-and-outdoor occupations.

After the academic training is complete, the youth participants will move into occupational trainings that will focus on four areas: 1) Construction through the Building Industries Association (BIA); 2) patient service representatives through LCC; 3) food services, baking and culinary through WCC; and, 4) office administration and technology through LCC, but this portion of the expense will be charged under program services and not work experience.

Each youth person is mandated to do work experience: Out of School Youth are required to do 30 hours of training, while In School Youth are required only to do 20 hours, 3 hours per a week. Job shadowing and work experience together will equate to approximately \$89,780 per a cohort.

Personnel and fringe benefits cost consists of the WIOA program supervisor, four line staff and one clerk is estimated at \$49,737 per cohort.

B. Review proposal from Larry Robbins to provide trainings to the AJC Partners

The cost of this sort of training provided by Larry Robbins is \$22,000 and is a small purchase under the City & County of Honolulu's procurement guidelines. Although not required under the small purchase policy, Lei will send out solicitation notices to other vendors to see if they are available to provide the scope of the training. The training will be three days focused separately on job seekers, employers and AJC partnership, respectively. The aim is to obtain training this fiscal year among the partner agencies and at least one training each year going forward as needs change.

C. Infrastructure Funding Agreement – AJC Dillingham

- (i). Update on AJC Partner negotiations

We were the only county to get our IFA's signed by the deadline and are not subject to the State Funding Mechanism.

(ii). Partners providing in-kind donations

Since IFA's are getting signed, we can move forward with determining, if any, the value of in-kind donations. Wagner Peyser and WDD didn't have any in-kind. McKinley Community School for Adults (MCSA) are going to be donating 35 chrome books, line drops and equipment locks. We need to update the IFA model to account for these contributions by MCSA. Unemployment Insurance (UI) provided cubicles and we have derived the FMV for the items that we will propose to UI.

(iii). Valuation of donated partitions from Unemployment Insurance

Since the cubicles were purchased 18 years ago, the effective book value of the cubicles should be zero; however, the Committee took into account the cost to purchase cubicles and labor (removal and installation), and helping us to achieve the ability to collocate partners. After deliberation, the Committee determined that it is willing to make an exception and agree that the value Board staff determined to be reasonable and justifiable given the overall cost savings and benefit to the AJC. As a result, the fair market value determinations can now be proposed to UI towards their IFA contribution.

(iv). Determine the start date for the invoicing of AJC Partner contributions

The Committee determined that invoicing start date should target February 1st rather than January 1st to give partners lead time to prepare.

D. Kamehameha Schools verbal commitment regarding the AJC's lease

There are two years left on the lease and Kamehameha Schools (KS) gave a verbal confirmation that there is no plans to develop the property anytime soon and the AJC will direct lease with KS to remain in the current location. KS are looking to do improvements like upgrading the air conditioning. The commitment is anticipated to be an additional minimum 10 to 15 years since KS's main focus is other projects in the area.

- E. Recommendation from the WDC of a third-party to conduct the required monitoring functions for OWDB to avoid any conflict of interest and to have a fair and unbiased review of the programs, One-Stop Operations, and fiscal functions

The Committee decided to decline the recommendation to have a third-party conduct monitoring since there are already two committees accountable for oversight of the AJC and OSO, and that OWDB staff can proceed with putting the Committees recommendation on the agenda for the next Full Board meeting.

III. Action Item(s)

- A. Approve the OSO budget to remodel the AJC welcome area to submit to WDC
 - (i). Approval process for State WDC and Federal DOL

The Committee stressed the importance of ensuring the plans for the remodel are ADA compliant. We cannot submit bids until the USDOL approves the plans. The Board will need submit a letter and narrative to WDC, which will then be submitted to the USDOL. We are estimating less than \$50,000 for the front remodel (already budgeted in the OSO budget), which is primarily to remove the counter in the front of the AJC. The Committee will motion to obtain the capital budget for the remodel to proceed with the process with WDC.

James Hardway made the motion to approve. Seconded by Rodney Lee. Lei Nakamura, the OSO, recused herself from voting. Unanimously approved.

- B. Approve the Youth budget that will provide meals to participants during weekly trainings to submit to WDC

The meals are considered a necessary supportive service for the successful implementation of the youth cohort service delivery model. The meals will cost approximately \$7 per person over the 5-to-6 months of academic training. The Committee agreed that the meals can be included in the budget and not more than \$35,000.

James Hardway motioned to approve. Seconded by Rodney. Unanimously approved.

- C. Approve letter from the Finance Committee Chair to amend the PY17 Initial Budget approved by WDC to match Final PY17 Allocations announced on 7/6/17

Rodney Lee motioned to approve. Seconded by James Hardway. Unanimously approved.

IV. Date of Next Meeting

Committee members will be polled to set up a meeting sometime in February or March.

V. Adjournment

Committee Chair Wong adjourned the meeting at 2:42 P.M.