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WORKFORCE DEVELOPMENT COUNCIL

317 W Main Street, Boise, Idaho 83735-0510

Grant Review Committee Meeting Minutes – June 22, 2021

Committee Members: Kelly Kolb, Jay Larsen, Michelle Stennett, Brian Cox, Jeff Greene, Joe Maloney, Jake Reynolds, Rico Barrera, Jenni Bradford, Sarah Griffin

Staff: Paige Nielebeck, Amanda Ames, Wendi Secrist, Matthew Thomsen, Jeffrey Bacon

Guests:

Called to order at 2:04 p.m.

Welcome

Roll Call – Quorum met

Review Agenda

Mr. Thomsen requests the North Idaho College Industry Sector Grant be moved above the Hearthside Foods Employer grant. The NIC grant request is time critical.

Review May 25, 2021 Meeting Minutes

Motion by Mr. Reynolds to approve the May 25, 2021 Meeting Minutes as written. Second by Mr. Maloney. Motion carried.

Budget Report

| WDTF Financial Summary - May 1, 2021 | |
|---|--------------------|
| WDTF Cash Balance 5-1-21 | \$15,561,887 |
| Revenue | \$836,067 |
| Interest | \$4,559 |
| Payments | \$605,065 |
| WDTF Cash Balance 5-31-21 | \$15,797,448 |
| Obligated Employer Grants | \$2,227,202 |
| Obligated Industry Sector Grants | \$3,429,875 |
| Obligated Innovation Grants | \$147,721 |
| *Obligated Outreach Projects & Allocated Budget | \$935,980 |
| Short Term Financial Assistance Program | \$1,613,512 |
| FY 21 WDTF Admin Costs | \$421,435 |
| WDTF Obligated Balance | \$8,775,725 |
| Unobligated Balance | \$7,021,724 |
| Proposals Under Review | \$1,211,329 |
| Unobligated Balance if all funded | \$5,810,395 |

*Includes all Outreach funding made available for the Committee to allocate for FY21.

| WDTF FY21 Revenue | Transfer In | Interest | Collection Cost |
|--------------------|--------------------|-----------------|-----------------|
| July | \$288,860 | \$9,995 | |
| August | \$735,854 | \$8,536 | |
| September | \$8,499 | \$6,072 | |
| October | \$306,682 | \$5,828 | |
| November | \$588,911 | \$5,553 | \$8,553 |
| December | \$7,267 | \$5,528 | |
| January | \$342,942 | \$5,389 | |
| February | \$384,864 | \$5,132 | \$7,392 |
| March | \$12,658 | \$5,050 | |
| April | \$233,382 | \$5,073 | |
| May | \$836,067 | \$4,559 | \$22,419 |
| June | | | |
| FY21 Totals | \$3,745,986 | \$66,714 | \$38,365 |

Discussion:

How does the unobligated WDTF funds compare to the States budget surplus?

- The WDTF is tied to the unemployment insurance tax rate. The state was able to use federal funds to prevent the unemployment tax rates from increasing.
- Ms. Secrist anticipates seeing \$3.7-\$3.8 million in revenue this upcoming year.

Is the revenue and payments for the month of May or YTD? Is the revenue amount typical for this time of year?

- The revenue and payments are for the month of May.
- The amount of revenue depends on the time of the year. It will depend on when employers pay their unemployment tax.

North Idaho College – Industry Sector Grant

Dental providers in North Idaho have reached out to North Idaho College to produce more trained dental hygienists and dental assistants. The current space available for the programs is insufficient. To meet employer's need, NIC plans to move their program to an existing facility located at the colleges' main campus. NIC is currently renting a facility and anticipates the cost of the lease to increase substantially over the next year. The new location will require new equipment and renovations to accommodate an increase to the number of individuals trained. The renovation of the facility will increase capacity for the dental hygiene program by adding annual entry rather than every other year entry. It will also allow the program to add 10 additional seats maintaining 25 students each year as opposed to 15 students every other year. The dental assisting program will see a smaller increase, accommodating 2 additional students each year once the renovation is complete.

WDTF Request: \$554,804

NIC is a great example of an education partner in respect to their grant management practices. NIC has successfully managed at least 4 industry sector grants.

Discussion:

Has the WDC funded projects to build/retrofit a facility?

- The WDC provided funding to CEI to help build a training facility.
- NIC does not have the funds to retrofit the facility but has the funding to maintain the program.
- Could a business in turn apply for a grant to build a training center just for their business?
 - In theory yes, but the business would have to prove that the facility will only be used for training and how the facility would benefit other businesses.

Including cash, in-kind, and WDTF funds the total cost of the program is \$1,471,848.87.

What metrics are being used to determine if expenses are reimbursed or not?

- Because NIC has such a detailed budget, they will need to prove to Amanda that the requested reimbursement is for allowable expenses.
- If NIC does not meet their agreed upon performance measures, then it would impact any future WDTF applications.
- All of the WDTF money will be expended in the first year of the program, but the grant will continue and NIC will be responsible for providing the WDC with metrics.

Motion by Mr. Larsen to approve the NIC Industry Sector Grant in the full amount of \$554,804. Second by Ms. Griffin. Motion carried.

Hearthside Foods – Employer Grant

Hearthside Foods located in Boise, is requesting WDTF to assist with the training of 60 new and 186 existing workers. The employer has seen an increase in their workload due to customer demand resulting in the addition of two new production lines. The employers training plan includes external training with internal on-the-job training.

WDTF Request: \$151,280.50

Discussion:

The wages brought down Hearthside's score in the quantitative funding model. Mr. Thomsen has been working with a consultant rather than directly with Hearthside. Mr. Thomsen recommended to the consultant that Hearthside bring up some of the wages to a 3.5% increase.

Most of the training is vendor training with some internal training. What does the funding pay for with internal training vs. vendor training?

- For both internal and vendor training, the funding goes towards the cost of the trainer. The funding cannot be used to refund trainee wages.

What is the labor training? Did Hearthside provide the specific of the training?

- In one of the spreadsheets Hearthside provided lists the specific courses being offered. The list does not provide lengthy detail of the training but provides a short summary of the objectives. Mr. Thomsen can ask Hearthside for more detail on the trainings.
- It would be nice to see a middle ground between a lengthy training description and a short summary.

This grant will be tabled until the July meeting due to not having a quorum at the time of voting.

Joint Policy Committee and Grant Review Committee Meeting – Agenda Topics

On July 13, the Grant Review Committee and the Grant Review Committee will be having a joint meeting to discuss various topics around the WDTF. Ms. Secrist asked the Committee for possible discussion topics.

Suggested Agenda Topics:

- Internal Training vs. Vendor Training
- Training Descriptions
 - Asking applicants for more detailed descriptions
- Transferability of Training
 - The Employer should explain why or why not the training is transferrable.
 - A policy should be put in place to only allow a certain percentage of funds to go towards “soft” training.
- WDTF Balance
 - How can this balance be expended?
- Cap on Employer Grants
 - If an employer is paying 3% into the WDTF, how much is that for employers?
 - This information should be collected for small, medium, and large employers.
- Repeat WDTF Applicants (businesses not colleges)
 - Policy to set boundaries.
- Unused Grant Funding
- Pandemic Impact/Change in Employer Needs
- Getting Businesses Engaged in the WDTF
 - Incentives
 - What makes Idaho stand out.
 - Hesitation with offering state dollars to out-of-state businesses wanting to move to Idaho.
- WDTF Successes/Wins
- Focus on Specific Industries
 - Gather input from the Governor.
- Outreach Efforts for the WDTF
 - Go directly to associations to ask them to reach out to their contacts (e.g. Farm Bureau)
- Training Plan
 - Not accommodating to small employers.
- Quantitative Funding Model
 - Priority for underserved/rural areas.

The Policy Committee knows the Grant Review Committee has expressed frustration with some of the WDTF applications that have come through and around employer grants.

About 85% of employers do not complete their WDTF applications. Many of the employers are simply looking to see what the application entails. Around 75% of employers have the intent to submit but never complete the application. Mr. Thomsen will refine data on this and gather more information on why employers do not submit their application.

**Motion by Mr. Reynolds to adjourn. Second by Mr. Maloney. Motion carried.
Meeting adjourned at 3:20 p.m.**