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Tom Barrett, Mayor, City of Milwaukee
Designated Chief Elected Official

Don Layden
Chair

EMPLOY MILWAUKEE BOARD OF DIRECTORS MEETING

December 13, 2018 • 8:30 a.m. – 10:00 a.m.

2342 North 27th Street, Milwaukee, WI 53210 - Conference Room 118

MINUTES

Members Present: Don Layden (Chair), Laura Bray, Kareeda Chones-Aguam, Carla Cross, Randy Crump (phone), Pam Fendt, Andres Gonzalez, Amy Hansmann, John Kissinger, Gene Manzanet, Steve Martin, Ted Matkom, Darryl Morin (phone), Alan Perlstein, David Pifer, Keith Posley, Karen Spindler, Willie C. Wade, Steven Xiong

Members Absent: Deshea Agee, Griselda Aldrete, Kimber Bartosiak, Dan Buehrle, Dan Bukiewicz, Sheila Cochran, Lea Collins-Worachek, Michael Fabishak, Ossie Kendrix, Vicki Martin, Lupe Martinez, Mark Mone, Lois O'Keefe, Wallace White, Patricia Woodard,

Guests: Melanie Ott (WIPFLI), Jennifer Riggenbach (Transition Facilitator) (phone), Myra Edwards (Mayor's Office), Parker Rios (UMOS), Rachel Zietlow (Maximus)

Staff Present: Scott Jansen, Pete Coffaro, Patti Porth, Rob Cherry, Tim McMurtry, Melissa Shekoski, Eileen McMahon

Committee Chair Don Layden called the meeting to order at 8:35 a.m.

1. Approval of Minutes from September 13, 2018

After brief discussion, September 13, 2018 Board of Directors minutes were approved as circulated.

2. Chair Report

Packet Information – EMI Transition Advisory Committee Oct 2018 thru Dec 2018, 2019 Schedule of Board and Committee Meeting Dates

- **Transition Committee**

Chair Layden thanked Transition Committee, Board and stakeholders for their hard work. Jennifer Riggenbach facilitated this committee and ensured community perspectives from outside leaders were considered. The focus was not simply on demand side but gaining understanding of workers including their family situations, education, etc. Recommendations from Transition Committee Report were reviewed. Mr. Wade added that EMI approach will be an aggressive short-term initiative that will make

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a difference. These alignment changes will be included in Annual Report as well as EMI web page.

Next steps – Chair Layden is charging management team to create a strategic plan focused on one to two of the issues and set goals.

- **Executive Committee Meeting**

Chair Layden shared that the Executive Committee met on December 12th, 2018. Committee approved all documents, explained in greater detail in committee updates below.

3. President's Report

This topic was tabled due to time constraints with WIPFLI Audit presentation.

4. Governance, Compliance & Nominating Committee

Packet Information – EMI Governance Self-Nomination Form, WI-DWD WIOA Title I-A & I-B Policy & Procedure Manual, EMI BOD Planning Roster, EMI BOD Committee Roster Report, EMI Board & Committee Nomination Report, EMI Annual Review of Policies

Mr. Morin informed committee members that the new Governance, Compliance and Nominating (GCN) Committee held two meetings in November. The bylaws and board/committee rosters were reviewed and approved. All documents and forms created by staff, including an annual review of agency policies report and a board/committee nominations report were reviewed and approved. A two-page self-nomination form has been created and will be added to the EMI web site. All reports and forms have subsequently been approved by the Executive Committee.

5. Personnel, Finance & Audit Committee

Packet information – EMI 2018 Audit Presentation from WIPFLI, EMI Financial Statement and Supplementary Information Year Ended June 30, 2018, WIPFL Auditor's Report,

Personnel, Finance & Audit Committee met on November 29, 2018. The FY 2018 Audit from WIPFLI was approved.

Melanie Ott, with EMI auditors WIPFLI, presented FY 2018 Audit to the Board of Directors. Ms. Ott stated audit type for FY2018 was uniform guidance single audit and WIPFLI issued three different opinions: 1) Basic Auditors Report, 2) Government Funding Grant Compliance Report, and 3) Major Compliance Program Report. Results were unmodified opinions with no findings. Ms. Ott informed members there would be a new financial statement change for 2019 that includes liquidity disclosure. Net assets temporarily restricted are not in ratio. Purchase of EMI building is driving this deficit and should be addressed.

Question was posed on definition of liquidity and what will be required.

Ms. Ott responded not just numbers but how you manage liquidity and what cash on hand receivables. Cash on hand includes temporary restricted number for Earn & Learn, i.e., \$4.3 million in current assets but \$700 thousand restricted.

Question was posed on consequence of liquidity issue?

Ms. Ott responded many nonprofits will have this asterisk next year. WIPFLI is giving organization planning time to put zero vs. negative.

After brief discussion by Board, Chair Layden requested that Personnel, Finance & Audit Committee would continue to review liquidity issue and Board will let committee process work.

Next steps – PF&A Committee will report back on this topic at next Board of Directors meeting.

Alan Perlstein motioned for approval of EMI FY 2018 Audit; Ted Matkom seconded; EMI FY 2018 Audit approved unanimously.

6. Program Committee

Ted Matkom reported to Board that Program Committee met on November 14th, 2018. Committee reviewed Memo and policy updates. Mr. Coffaro explained the policy updates that the Executive Committee and Program Committee have already approved. Here is brief description of the changes:

- Priority of Service is mandatory and simply adopted by the state and has no adverse impact to participants or providers.
- Local Plan Section VI.H.16-17 Local Youth, etc., new language was proposed to refine the definition of a youth.
- Supportive Services Policy 167-02, Change 1, EM would like to codify the state expectations related to documentation of supportive services delivery and add category of Needs-Related payments to cover non-training expenses while participating in training.
- Adult & Dislocated Worker Follow-Up Services Policy - EM needs to amend to reinforce the language in State's Supportive Services Policy related to exited Adult and Dislocated Worker participants. Policy has been broadened to ensure that it meets follow up requirements for exited WIOA Youth and YouthBuild participants.

A question was posed about how EMI is enhancing skill sets since industry and technology are shifting? Response was that we have employer-led IABs for most sectors and employers discuss necessary job skills. Mr. Wade added that additional rigor has been incorporated into the review of ETPL training providers to help drive better outcomes.

Next steps – Mr. Matkom is requesting referrals from Board Members to join the Program Committee. The question of diversity in the construction industry has been added to the next Program Committee agenda.

7. Other

No additional discussion.

The next Board of Directors Meeting will take place on March 14th, 2019 at 8:30 a.m. at Employ Milwaukee, 2342 N. 27th Street, Milwaukee, WI 53210.

The meeting was adjourned at 9:57 a.m.

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