East Cascades WORKS
Connecting Talent To Opportunity

Executive Committee Meeting Minutes

Date: November 18, 2024
Time: 12:30-1:30 pm
Location: Virtual via Zoom or Phone

Attendees:

- **Board:** K'Lynn Lane, David Burger, Laurie Chesley
- **Staff & Guests:** Heather Ficht, Jessica Fitzpatrick, Teresa Cummings-Weir, Nickelle Haffey, Gary Mueller

Meeting called to order at 12:33 pm.

Time	Topic	Presenter
12:30 pm	**Consent Agenda**	**K'Lynn Lane, Chair**

- Check-in
  - Everyone shared something they love about their community.
- Minutes from September 2024 Executive Committee Meeting – *vote required*
  - Dave moved to approve the minutes as presented; Laurie seconded. Motion passed unanimously.
- Board Member Soledad Haines Reappointment
  - Dave expressed his support for Soledad's reappointment, noting that she has been great to work with.
  - Laurie moved to recommend Soledad for another term; Dave seconded. Motion passed unanimously.

12:40 pm	**Year-to-Date Budget to Actual Report and Budget Modification #1** – *vote required*	**Gary Mueller, Contractor / Fractional CFO**

- Proposed Budget Modification #1
  - Gary presented the Budget Modification spreadsheet (see attachment) displaying the July 1, 2024-June 30, 2025, budget with proposed changes.
    - Gary summarized that the current budget showed estimated carry-in projected in April/May, while the proposed budget reflects actual amounts reconciled at the close of the year. There is a $240k difference due to some quicker-than-anticipated spending in the last quarter of Program Year 2023 by the field. However, with the exception of administrative funds, WIOA was close to what we expected. In addition, the East Cascades region got more money than anticipated this year, which offsets the anticipated carry-in money we didn't end up retaining.

East Cascades WORKS
Connecting Talent To Opportunity

        - Notably, our Reentry grant was added to the budget after being mistakenly left out of the original budget.
    - Dave asked about the -84% variance in the WIOA adult category.
        - Gary explained that when he put together the budget in May, he had to estimate spending during the last quarter of the program year. He didn't have much familiarity with our organization's historical spending patterns, so his estimate was off.
        - Heather added that this was an unusual year for spending compared to historical trends, and she thought Gary's estimate had been reasonable.
    - Laurie moved to approve the budget modification as presented. Dave seconded. Motion passed unanimously.
- YTD Budget to Actual Report for July 1, 2024 - September 30, 2024.
    - Gary presented a spreadsheet (see attachment) displaying Quarter One, July 1, 2024-September 30, 2024, Budget to Actual report.
        - Gary clarified that this report was built on the assumption that the budget modification would be approved.
        - At this point, we're in good shape for money spent vs. money available. All categories are on track and right where they should be.
        - In the Program Expenses category, travel is why One Stop Operator is already down to 57% remaining.
        - Gary noted that spending generally ramps up toward the end of the year, which explains why some balances remain high. Heather noted that summer jobs for students also contribute to uneven spending over the course of the year.
    - Dave moved to accept the Budget to Actual Report as presented. Laurie seconded. Motion passed unanimously.
- Heather made note of three grant applications that we'll hear back on in the next 3-6 months:
    - HowTo 6 Grant for psychology internships.
    - Warm Springs DOE Grant, which would fund staffing to support energy jobs in Warm Springs.
    - Business Oregon Grant, which would fund youth internships, micro-grants to small businesses, and ITA (adult training) scholarships.
- Given our impending funding cliff next PY, Heather outlined a few recommendations from staff leadership around fiscal responsibility:
    - Although we set aside $20k towards a comprehensive communications strategy, we won't implement it this year.
    - $70-$75k incumbent worker training will also be pushed to a future year.
    - There is the potential to limit field expenditures as well by implementing measures like only spending funds on board identified priority populations.
    - Heather explained that these recommendations will help us stick to our core for expenditures, rather than losing staff in the field.
    - K'Lynn asked for more information about postponing our communications strategy.
        - Heather said that Nickelle and Kristyn have already been implementing new communications and social media initiatives, so we don't need to do anything

extra right now. Heather also clarified that our communications strategy is more EC Works-oriented than field-oriented.

- Dave asked whether our program dollars might shrink in the upcoming years with the presidential administration change.
  - Heather responded that it's very possible. Right now, WIOA is waiting to be reauthorized, which isn't cause for concern as long as congress continues to appropriate money for it.
  - Gary confirmed that WIOA funding is a small blip in the national budget; it's also a bipartisan effort that is not politically fraught.
- Heather emphasized the need for advocacy at the state government level to ensure continued funding stability.

1:05 pm Cost Allocation Plan Policy – *vote required* **Jessica Fitzpatrick, Staff**

- Jessica explained that the federal De Minimis rate increased from 10% to 15% in October, which helps to support our oversight of the funds we receive and pass through to other entities. This policy update changes the language we use to reference the rate to be general rather than specific, so we don't have to modify it every time the rate changes.
- Gary elaborated on the other technical changes: the last version of this plan was from 2017, when our funding was almost entirely WIOA, therefore the allocation plan had been built on staff time being charged proportionately to a single administrative fund and then spread evenly amongst the cost centers. However, now that the number of funds has grown, Gary has updated to reflect a more realistic approach to allocating costs across multiple program and administrative cost centers that are specific to each grant.
- K'Lynn moved to approve the policy as presented. Dave seconded. Motion passed unanimously.

1:15 pm 2025 Legislative Session **Heather Ficht, Staff**

- Heather gave a shoutout to Dave Burger, who will testify on our behalf on December 11th at the state legislature in support of Prosperity Programs.
- Workforce boards will be supporting:
  - WorkSource Reentry
    - Teresa and Brendon have been doing a great job with this program; the challenge has been the complexity of managing so many partners to implement a consistent service model statewide. The best way forward is to use OED staff for this work rather than give local boards more staffing resources. OED's role is to deliver basic services, which is what happens in the prisons.
    - We are advocating a $3M general fund investment in OED, not ourselves, to round out staffing.
  - Prosperity Programs

East Cascades WORKS
Connecting Talent To Opportunity

        - This is what Dave will be speaking about: advocating for investments to go through the local board structure and asking for additional resources to support our continued work.
        - OWP is collecting partners' logos to endorse a 1-pager. Once Heather receives the 1-pager later this week, she will turn to the board for support.
- Heather shared that HECC will procure two grants – one for construction, one for healthcare – totaling $650k. Heather voiced some concerns:
    - Only one board will prevail, which doesn't make much sense.
    - There are currently studies underway from HECC – OWI studying the workforce needs in both these industries and she advised the HECC not to make procurement decisions until those studies are complete.
- Heather mentioned another focus of the upcoming legislative session: getting the legislature to acknowledge and work through the state's workforce system. Separate procurements mean losing the benefit of the resources we bring together. Heather pointed out that this won't always mean funding local boards.

1:30 pm Adjourn **K'Lynn Lane, Chair**

- Meeting adjourned at 1:28 pm.

Attachments:

- Draft September 2024 Executive Committee Minutes
- Soledad Haines Nomination Letter
- Budget Modification #1
- YTD Budget to Actual Report
- Cost Allocation Plan Policy

Oregon
Tina Kotek, Governor

Employment Department
875 Union Street NE
Salem, Oregon 97311
503-947-1394
employment.oregon.gov

State of Oregon Employment Department

11/8/2024

Member Nomination to the East Cascades Works Board of Directors

Dear Commissioner Albertson:

I am writing to nominate Soledad Haines for an additional term representing Employment on the ECW Board of Directors.

She is the Area Manager of WorkSource offices and employees in Klamath, Lake, Deschutes, Crook, Jefferson, Wasco and Hood River Counties. Soledad brings to the Board her vast knowledge of workforce, employment and community college systems. Additionally, Soledad understands the business-driven priorities of this workforce board.

Thank you for your time and thoughtful consideration.

Sincerely,

James PFARRER (Nov 8, 2024 11:33 PST)

Jim Pfarrer
Director of Workforce Operations
Oregon Employment Department
james.f.pfarrer@employ.oregon.gov

EAST CASCADES WORKS
BUDGET VS. ACTUAL
JULY 1, 2024 THROUGH SEPTEMBER 30, 2024

EXPENDITURES BY FUNDING SOURCES					
GRANTS & FUNDING	**RESOURCES**	**FUNDS SPENT**	**REMAINING FUNDS**	**BALANCE REMAINING %**	**NOTES**
WIOA - Adult	1,622,640	263,785	1,358,855	84%	
WIOA - Dislocated Worker	706,550	150,796	555,754	79%	
WIOA - Youth	1,731,113	408,761	1,322,352	76%	
WIOA - Rapid Response	135,531	20,121	115,410	85%	
WIOA - Admin	635,714	98,530	537,184	85%	
WIOA - DWG-Quest	467,875	43,587	424,288	91%	
Federal - Future Ready Prosperity 10K	998,491	207,554	790,937	79%	
Federal - Benefits Navigator	985,138	61,778	923,360	94%	
Federal - DOL/OWP - Pathways Home	463,962	35,584	428,378	92%	
State - Work Experience	85,867	32,970	52,897	62%	
State - Oregon Youth Employment (OYEP)	485,348	170,732	314,616	65%	
State - Strategic Innovation	200,000	-	200,000	100%	**New Grant**
State - Industry Engagement (Sectors)	113,474	42,024	71,450	63%	
State - Competitive Strategies (Board Support)	218,383	44,152	174,231	80%	
State - OHA Behavioral Health	142,000	2,100	139,900	99%	
State - Future Ready OWP - Pathways Home	166,445	40,138	126,307	76%	
State - Maritime	25,000	5,600	19,400	78%	
Local - COHC - OHA Behavioral Health match	510,655	95,272	415,383	81%	
Local - Youth Career Connect (YCC)	200,000	50,318	149,682	75%	
Local - Meta : Facebook	92,113	6,250	85,863	93%	
Local - PGE	254,998	-	254,998	100%	**New Grant**
TOTALS	**10,241,297**	**1,780,053**	**8,461,244**	**83%**	

EXPENDITURES BY LINE ITEM					
BOARD EXPENSES	**BUDGET**	**FUNDS SPENT**	**BALANCE REMAINING**	**BALANCE REMAINING %**	**NOTES**
Staffing					
Salaries	1,160,258	291,010	869,248	75%	
Taxes & Benefits	382,661	90,465	292,196	76%	
Total Staffing	**1,542,919**	**381,475**	**1,161,444**	**75%**	
Operating Expenses					
Professional services	168,300	25,810	142,490	85%	
Legal services	7,057	-	7,057	100%	
Audit services	30,000	5,500	24,500	82%	
Fees/taxes	9,000	2,120	6,880	76%	
Phone & internet	21,818	4,265	17,553	80%	
Insurance	25,000	5,147	19,853	79%	
Facilities	27,273	5,098	22,175	81%	
Office supplies/expenses	13,091	536	12,555	96%	
Memberships	20,000	5,200	14,800	74%	
Printing	6,545	-	6,545	100%	
Postage	545	45	500	92%	
Staff/Board travel	49,091	10,737	38,354	78%	
Meetings	10,909	920	9,989	92%	

Staff development	16,364	2,921	13,443	82%	
Total Operating Expenses	**404,993**	**68,299**	**336,694**	**83%**	
Program Expenses					
I-Trac	70,000	19,980	50,020	71%	
WSO Exp - Leases, Phone, Tech	65,000	20,687	44,313	68%	
One Stop Operator	25,000	10,629	14,371	57%	
Incumbent Worker	75,000	396	74,604	99%	
Program General Expenses	718,832	85,124	633,708	88%	
Total Program Expenses	**953,832**	**136,815**	**817,017**	**86%**	
TOTAL BOARD EXPENSES	**2,901,744**	**586,589**	**2,315,155**	**80%**	**#REF!**

PROVIDER EXPENSES	**BUDGET**	**FUNDS SPENT**	**BALANCE**	**BALANCE %**	**NOTES**
WIOA - Adult	1,329,410	231,468	1,097,942	83%	
WIOA - Dislocated Worker	631,371	133,779	497,592	79%	
WIOA - Youth	1,487,046	374,743	1,112,303	75%	
WIOA - DWG-Quest	175,957	35,002	140,955	80%	
State - Work Experience	89,129	28,290	60,839	68%	
Future Ready - Prosperity 10K	690,805	154,082	536,723	78%	
State - OR Youth Empl (OYEP)	419,292	152,280	267,012	64%	
Federal - Benefits Navigator	374,500	2,737	371,763	99%	
Federal - DOL/OWP - Pathways Home	42,370	6,034	36,336	86%	
State - Future Ready OWP - Pathways Home	105,070	24,729	80,341	76%	
Local - Youth Career Connect (YCC)	199,622	50,318	149,304	75%	
Local - PGE	71,793	-	71,793	100%	**New Grant**
TOTAL PROVIDER EXPENSES	**5,616,365**	**1,193,464**	**4,422,901**	**79%**	
GRAND TOTAL EXPENSES	**8,518,109**	**1,780,053**	**6,738,056**	**79%**	

EAST CASCADES WORKS
PROPOSED BUDGET MOD
JULY 1, 2024 THROUGH JUNE 30, 2025

Funding Expiration	RESOURCES	PROPOSED BUDGET MOD	CURRENT BUDGET	VARIANCE AMT	VARIANCE PCT	NOTES
	Carry In Resources					
6/30/2025	WIOA - Adult	13,655	88,070	(74,415)	-84%	
6/30/2025	WIOA - Dislocated Worker	138,420	120,830	17,590	15%	
6/30/2025	WIOA - Youth	55,596	-	55,596		
6/30/2025	WIOA - Rapid Response	44,326	44,326	-	0%	
6/30/2025	WIOA - Admin	221,755	320,877	(99,122)	-31%	
6/30/2026	Federal - Future Ready (Prosperity 10K)	998,491	1,012,725	(14,234)		
6/30/2026	Federal - Benefits Navigator	985,136	996,726	(11,590)		
6/30/2026	Federal - DOL/OWP - Pathways Home	630,407	647,308	(16,901)		
6/30/2025	State - Industry Engagement (Sectors)	113,474	166,740	(53,266)		
6/30/2025	State - Work Experience	85,867	99,071	(13,204)		
6/30/2025	State - Oregon Youth Employment (OYEP)	485,348	501,138	(15,790)		
6/30/2025	State - Competitive Strategies (Board Support)	218,383	221,705	(3,322)		
6/30/2025	Local - COHC - OHA Behavioral Health match	510,655	540,292	(29,637)	-5%	
n/a	Local - Meta : Facebook	92,113	76,218	15,895	21%	
	Total Carry-In Resources	**4,593,625**	**4,836,026**	**(242,401)**	-5%	**Actual vs. Estimates**
	Current Year Resources					
6/30/2026	WIOA - Adult	1,608,985	1,460,562	148,423	10%	Actual vs. Estimates
6/30/2026	WIOA - Dislocated Worker	568,130	584,126	(15,997)	-3%	Actual vs. Estimates
6/30/2026	WIOA - Youth	1,675,517	1,569,808	105,709	7%	Actual vs. Estimates
6/30/2026	WIOA - Rapid Response	91,205	91,205	-	0%	
6/30/2026	WIOA - Admin	413,959	400,038	13,921	3%	Actual vs. Estimates
6/30/2026	WIOA - QUEST Disaster Recovery DWG	467,875	467,875	-		
6/30/2025	State - Strategic Innovation	200,000	200,000	-		
6/30/2025	Local - COHC - OHA Behavioral Health match	-	-	-		
6/30/2025	State - OHA Behavioral Health	142,000	-	142,000		Extended Grant Amount
9/30/2026	Local - PGE	254,998	-	254,998		New Grant
6/30/2025	Local - Youth Career Connect (YCC)	200,000	200,000	-	0%	
6/30/2025	State - Maritime	25,000	-	25,000		New Grant
	Total Current Year Resources	**5,647,668**	**4,973,614**	**674,054**	14%	
	TOTAL AVAILABLE RESOURCES	**10,241,293**	**9,809,640**	**431,653**	**4%**	

	BOARD EXPENSES	PROPOSED BUDGET	CURRENT BUDGET	VARIANCE AMT	VARIANCE PCT	NOTES
	Staffing					
	Salaries	1,160,258	1,161,215	(957)	0%	
	Taxes & Benefits	382,661	375,299	7,362	2%	
	Total Staffing	**1,542,919**	**1,536,514**	**6,405**	**0%**	
	Operating Expenses					
	Professional services	168,300	120,000	48,300	40%	
	Legal services	7,057	7,000	57	1%	
	Audit services	30,000	30,000	-	0%	
	Fees/taxes	9,000	9,000	-	0%	
	Phone & internet	21,818	20,000	1,818	9%	
	Insurance	25,000	25,000	-	0%	
	Facilities	27,273	25,000	2,273	9%	
	Office supplies/expenses	13,091	12,000	1,091	9%	
	Memberships	20,000	20,000	-	0%	
	Printing	6,545	6,000	545	9%	
	Postage	545	500	45		
	Staff/Board travel	49,091	45,000	4,091	9%	
	Meetings	10,909	10,000	909	9%	
	Staff development	16,364	15,000	1,364	9%	
	Total Operating Expenses	**404,994**	**344,500**	**60,494**	**15%**	
	Program Expenses					
	I-Trac	70,000	70,000	-	0%	
	WSO Exp - Leases, Phone, Tech	65,000	65,000	-	0%	
	One Stop Operator	25,000	25,000	-	0%	
	Incumbent Worker	75,000	75,000	-	0%	
	Program General Expenses	718,832	579,057	139,775	24%	New Grants
	Total Program Expenses	**953,832**	**814,057**	**139,775**	**15%**	
	TOTAL BOARD EXPENSES	**2,901,745**	**2,695,071**	**206,674**	**7%**	**27.47%**

Contract Expiration	PROVIDER EXPENSES	PROPOSED BUDGET	CURRENT BUDGET	VARIANCE AMT	VARIANCE PCT	NOTES
6/30/2025	WIOA - Adult	1,329,410	1,229,410	100,000	8%	Actual vs. Estimates
6/30/2025	WIOA - Dislocated Worker	631,371	631,371	(0)	0%	
6/30/2025	WIOA - Youth	1,487,046	1,360,046	127,000	9%	Actual vs. Estimates
6/30/2025	WIOA - Rapid Response	-	-	-		
6/30/2025	State - Work Experience	89,129	89,129	-	0%	

6/30/2025	Future Ready - Prosperity 10K	690,805	690,805	-	0%	
6/30/2025	State - OR Youth Empl (OYEP)	419,292	419,292	-	0%	
6/30/2025	Federal - QUEST Disaster Recovery DW	175,957	175,957	-	0%	
6/30/2025	Local - Youth Career Connect (YCC)	199,622	199,622	-	0%	
6/30/2026	Federal - Benefits Navigator	374,500	374,500	-		
6/30/2026	Federal - DOL/OWP - Pathways Home	147,440	-	147,440		
9/30/2026	Local - PGE	71,793	-	71,793	New Grant	
	TOTAL PROVIDER EXPENSES	**5,616,365**	**5,170,132**	**446,233**	**8%**	**52.70%**
	GRAND TOTAL EXPENSES	**8,518,110**	**7,865,203**	**652,907**	**15%**	**80.18%**
	RESOURCES TO CARRY FORWARD	**1,723,183**	**1,944,437**			

East Cascades WORKS
Connecting Talent To Opportunity

Financial Management Policy

TITLE: COST ALLOCATION PLAN

POLICY APPROVED BY:

Heather Ficht — **EC Works Executive Director**

K'Lynn Lane — **EC Works Board Chair**

Previous Policy Approval Date:
July 12, 2017

Current Policy Effective Date:
July 1, 2024

Revision Approved:
November 18, 2024

PURPOSE:

To communicate East Cascades Works' (ECW) philosophy on allocating costs, to demonstrate compliance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and to demonstrate the steps taken to ensure that costs are properly allocated to grants and funding sources. The Chief Financial Officer/Finance Director (CFO) or their appropriate designee shall prepare all cost allocation reports and entries.

General Philosophy

ECW has a philosophy of providing administrative and program services in direct proportion to the level of benefit needed for each program. The organization's major functions are fundamentally the same for all grants it receives.

The distribution base for all ECW general and administrative expenses is direct labor hours. ECW functions within grant programs include but are not limited to contracting with sub-recipients for services, monitoring those sub-recipients for compliance, and creating partnerships within the community to further program outreach and achievements. ECW does not provide direct services to participants and does not maintain separate buildings and equipment for individual projects/grants which would necessitate further allocation of costs by Full-Time Equivalent (FTE), participant counts and/or square footage of property utilized.

Administration and program staff utilize timecards to track direct labor hours. Costs including staff time and other organizational expenses are then allocated on the equitable distribution base of direct labor hours.

General and administrative costs shall be allocated quarterly.

POLICY:

The following cost centers shall be created to capture ECW general and administrative expenses, in addition to the cost centers created for each specific grant:

TITLE: COST ALLOCATION PLAN

1. 01 – 01: Direct Admin only costs
2. 01 – 02: Direct Program only costs
3. 01 – 03: Direct Admin and Program costs

Allocating of Costs – Cost Allocation Plan

A. Direct charge to grant – costs associated with staff and/or other expenditures whenever those costs can be directly related to the benefiting grants or cost objectives. Administrative and program expenses are eligible for direct charging depending on grant requirements. Sub-recipient provider expenses and I-Trac expenses are examples of expenses that may be directly charged to grants.

B. Staff wages and taxes:

   a. Direct Program hours – Staff will track direct program hours specifically by grant. Wages and taxes by employees will then be charged directly to those grants based on the timecards.

   b. Direct Admin hours - staff will track admin hours specifically by grant. Wages and taxes by employees will then be charged directly to those grants based on the timecards.

   c. In the event a grant is received that does not cover general expenses with program funding, that specific grant shall be removed from the allocation of direct program hours in (a) above.

C. Staff benefits – including the net change in quarterly vacation accrual, health benefits, and 401k match – initially recorded to the 01 – 03 cost center, then allocated out quarterly based on direct labor hours.

D. Charges to direct admin-only cost center, which shall be allocated based on direct admin labor hours, may include but are not limited to:

   a. Audit services
   b. Legal services
   c. Fees and taxes
   d. Insurance

E. Charges to direct program only cost center, which shall be allocated based on direct program labor hours, may include but are not limited to:

   a. Organizational expenses whenever those costs are program in nature and benefit more than

TITLE: COST ALLOCATION PLAN

one program

F. Charges to direct admin and program cost center, which shall be allocated based on direct admin and program labor hours, may include but are not limited to:

   a. Employee benefits as noted in “C”
   b. Facilities expenses including rent and utilities
   c. Office supplies and equipment
   d. Travel
   e. Board meetings and supplies

G. After all cost centers have been allocated for the quarter, they will have a -0- balance.

H. Occasionally amounts granted by a grantor for ECW general and administrative expenses are not sufficient to cover actual ECW expenses incurred. Costs must still be allocated to these grants based on the allocation methods noted above, and ECW shall use other eligible funds to pay for the excess allocated costs.

I. ECW shall re-evaluate the allocation method no less than annually.

J. Use of the De Minimis – ECW has elected not to apply for a federally approved indirect rate and will utilize the current federal (2 CFR Part 200) de minimis indirect cost rate of modified total direct costs.