

FINANCE COMMITTEE REPORT SUMMARY

Thursday, November 18, 2021

We held two meetings since the last Board meeting (Nov 8, 2021 and Nov 15, 2021).

WIOA FUNDS

WIOA Rapid Response –available balance of ~\$800K includes PY20 and PY21 funds.

COVID-19 Funds

- HI- Disaster Recovery – Received a \$1.5M 2-year grant (lapses on 6/30/22) to cover salaries for workers whose employment has been impacted by COVID-19, and who found employment in humanitarian and recovery positions. HI Employment Services has been contracted to execute a significant portion of this grant. Maui reports 5 participants and expects more, and Honolulu reported 10 participants and is actively doing outreach to increase participation to assist HI Employment Services
- HI- Employment Recovery – Received a \$1.5M 2-year grant (lapses on 6/30/22) to provide supportive services and training to workers who have lost employment due to COVID-19. Monies were granted equally to 3 local areas (Honolulu, Hawaii Island and Maui); Kauai opted out. Maui reported 7 participants and has a plan to expend the funds, and Honolulu is actively doing outreach to increase participation.

Local Area Funds

Adult Programs – All local areas are serving participants (note – WDD is the new service provider for Kauai County). \$1.3M of PY20 funds (81%) remain available.

Dislocated Worker Program – the local areas have aggressive plans to expend the funds prior to 6/30/22, including monthly expenditure reports and early deadlines.

Youth Program – Although Kauai continues to bill the program, there are no participants. WDC/WDD has not entered into a contract with Kauai for PY20 and PY21 funds. McKinley Community School for Adults and Kauai Community College have been approached to be a youth services provider. After consideration, both have declined. In general, finding youth participants during the pandemic has been more challenging.

STATE GENERAL FUNDS

Any allocation of State General funds is being managed by WDD, who will cover the statewide HireNet Hawaii fees.

There has been an increase in participant totals (reported from HireNet Hawaii) in WIOA Title I programs from July 1, 2021 to September 30, 2021 (as compared to the same period in the prior year). However, the number of self-service interest in HireNet Hawaii has significantly declined from the same period in 2020.

TITLE 1 PROPOSED PROJECTS

Returned WIOA PY 19 funds for stat-wide usage is \$1.16M. The Executive Committee has recommended initiatives worth \$519K (see attachment). However, the Finance Committee has concerns regarding the following initiatives:

- Outreach – WIOA funds can not be used to advertise or market specific agencies and state services. The scope of the initiative must include only costs allowable under WIOA Title I. Requestor is researching the detailed request to ensure allocated amounts are used only for outreach and recruitment, and disallowed costs are removed from the proposal.
- New electronic Work Opportunity Tax Credit (WOTC) system – There is a concern regarding the eligibility of costs related to the WOTC program under WIOA Title I. The scope of the initiative must include only costs allowable under WIOA Title I. Requestor is researching to ensure amounts allocated to disallowed costs are removed from the proposal. Furthermore, there is a question as to efficacy of the initiative if other agencies do not verify the information entered into the system, which is required to approve the tax credit application.
- Expanding Remote Work Project – There is a concern regarding the eligibility of the training providers that will be utilized through LinkedIn Learning.

In addition to the initiatives being recommended by the Executive Committee, the Finance Committee respectively submits two additional initiatives for consideration:

- Youth Digital Media Career Program (\$640K)
- Workforce Resilience Digital Literacy Assessments (\$150K)

As there is still research being conducted on the allowability of certain costs for proposed projects, the Finance Committee recommends that the Board approve all the projects as presented, which will total \$1,309,000 (over the returned funds balance by \$148,154), and delegate to the Finance Committee to manage the overage once determinations of allowable costs are finalized.

Submitted by Shannon L. Okinaka