

Local Workforce Innovation Area 17

Workforce Innovation Board of East Central Illinois

Executive Committee Meeting

Date: Thursday, June 14, 2018
Time: 1 pm
Location: Illinois workNet Center
1307 N. Mattis Av., Champaign Illinois 61821

MEMBERS PRESENT: Jim Ayers, Paul Belcher, Dean Rose, Toriana Rhone, Tina Smith

MEMBERS ABSENT:

GUESTS: Kurt Wagner, Wagner Machine Company

STAFF: Linda McCoy

Minutes

I. Call to Order

Mr. Ayers called the meeting to order at 1 p.m.

II. Approval of Agenda

Ms. Smith motioned, seconded by Mr. Rose, to approve the agenda. Upon vote, the motion carried unanimously.

III. Audience participation

There was none

IV. Action Items

A. Incumbent Worker Project – Wagner Machine Company (WMC)

Ms. Rhone introduced Kurt Wagner, Vice President of Operations at Wagner Machine Company. Mr. Wagner shared background information about his company's history and explained what the company does and the methods used in mechanical parts fabrication. WMC was awarded \$22,000 by the Workforce Innovation Board (WIB) during their May 16, 2018 meeting, in response to the Incumbent Worker proposal submitted by WMC for approval. These funds are to be used for implementation of a Quality Management System(QMS) which will allow them to become International Standardization Organization (ISO) certified. However, the WIB declined to award funding for purchase of Adion Pro-Shop ERP software and software training. Since Wagner was informed of their funding approval, it was discovered they are unable to move forward with the ISO certification without the ERP software system and training. As Mr. Wagner explained, "you can't do one without the other". WMC's current software does not allow for integration of a new system, and its support system is two years behind in providing updates. Ms. Rhone explained, the Boards lack of understanding regarding necessary equipment to implement the QMS, prompted her to bring the Wagner proposal to the Executive Committee for re-consideration. Discussion ensued with questions including; the benefits to the company regarding growth and sustainability, what would happen if Adion Systems was to go out of business, how would purchasing this software, using their own funds, impact the company, and do they have a contingency plan in place if funding is not approved? Mr. Wagner offered, the ISO certification and all that it entails, is a critical component in maintaining the company's customer base and future success. They are prepared to purchase the system on their own, but it would make it necessary to cut back in other areas, including payroll, needed equipment purchases, and possible loss of business due to the delay of other projects. He informed the Committee, a local firm, Blocher Consulting, has assisted in the development of the Adion software and offers exceptional support in addition to Adions

own excellent support services. He estimated Wagner could continue operations for at least 5 years or more without support and the system allows for the transfer of data to a new system if necessary. Mr. Belcher requested a statement be added to Wagner's plan addressing how the receipt of the additional \$52,000 will create growth for the company. Mr. Wagner shared, WMC's goal is 10% to 20% growth every year and the ISO certification will enable them to pursue business they have been unable to reach before.

Having provided detailed answers for all questions to the satisfaction of the committee, Mr. Wagner thanked the Committee and took his leave.

Discussion ensued and the Committee agreed, the information Mr. Wagner provided was very compelling. Mr. Ayers inquired about the available funds in the Incumbent Worker stream. Ms. Rhone responded, approximately \$80,000 is available in PY'17 funds and we still have \$40,000 from our PY'16 grant closing June 30. Mr. Ayers asked for a motion.

Ms. Smith motioned, seconded by Mr. Rose to approve an additional \$52,000. of Incumbent Worker funds for the Wagner Machine Company project. Upon vote, the motion unanimously carried.

B. PY'17 Budget modification approval

Ms. Rhone informed the Committee, the State of Illinois has allocated the LWIBs with \$1 million of additional PY'17 WIOA Title 1 Adult, Dislocated Worker, and Youth program funding. LWIA17 is set to receive \$18,809. She directed attention to page 10 of the meeting packet, showing how the funds will be distributed.

Mr. Belcher motioned, seconded by Ms. Smith, to approve the proposed PY'17 budget modification request submission. Upon vote, the motion unanimously carried.

C. PY'18 Budget approval

Ms. Rhone pointed out page 17-21 of the meeting packet, showing a letter to DCEO Office of Employment and Training, with notification of submission of the PY'18 budget. She explained allocations for PY'18 have been decreased by \$181421, necessitating a revision of the budget prior to submission. The revised budget pages were provided for review and Ms. Rhone asked for approval.

Ms. Smith motioned, seconded by Mr. Belcher, to approve the PY'18 budget as provided and submit to the state by the June 30, 2018 deadline. Upon vote, the motion unanimously carried.

VI. Other

Mr. Ayers inquired about the potential addition of Douglas County to LWIA17. Ms. Rhone reiterated, the State would like the Workforce areas to align with the Economic Development region map, and if changes are made, it has been proposed that Douglas County merge into LWIA17. Currently, people in Douglas County seeking WIOA services must go to Effingham, IL. Mr. Ayers asked about advantages and disadvantages of adding Douglas to the counties that we serve. Ms. Rhone responded, the "still to be determined" merge would bring increased funding, however, no further information is known at this time. She assured the committee, she will keep the WIB informed.

VII. Adjournment

Mr. Belcher motioned, seconded by Ms. Smith, to adjourn. Upon vote the motion unanimously carried and the meeting adjourned at 2:47 pm.

Respectfully Submitted,
Linda McCoy
Recording Secretary