

Audit/Finance Committee

Agenda

Teleconference
Monday, November 10 – 2:30 pm – 3:00 pm

Introduction & Call to Order	J. Aurand
Review and Approval of Meeting Minutes <ul style="list-style-type: none">• Action needed: Approval of Meeting Minutes	J. Aurand
FY24 Single Audit Review <ul style="list-style-type: none">• Action needed: Acceptance of Single Audit	C. Shirock/ J. Aurand
Open Discussion	J. Aurand
Date of Next Meeting	J. Aurand
<ul style="list-style-type: none">• To be determined	
Adjournment	J. Aurand

**Audit/Finance Committee
Meeting Notes**

May 14, 2025

The Audit/Finance Committee of Advance Central PA held a meeting on Wednesday, May 14, 2025, via Zoom.

Members in Attendance

Jamie Aurand
Dean Girton
Angela Harding
Stacy Richards
Todd Taylor

Members Excused

Susan Swartz

The following staff attended:

Brooke Gessner
Amy Keefer
Erica Mulberger
Kelly Walter

Guests

Call to Order

Jamie Aurand called the meeting to order at 2:01 p.m.

Review and Approval of Meeting Minutes

▲ Dean Girton made a motion to approve June 11, 2024, Audit Finance Committee meeting notes. Todd Taylor seconded the motion. The motion was unanimously approved with no abstentions.

Fiscal Year 25 Expense Reports through 3/31/25

Brooke Gessner, Advance Central PA Finance Manager, reviewed the financial reports through March 31, 2025, noting the expected expenditure rate of 75%.

Contract Expenses & Obligations

Brooke highlighted two changes of significance: the transfer of \$1 million from Dislocated Worker to Adult funds and the rescission of the second installment of the National Dislocated Worker Opioid grant. Jamie asked if these funds had already been allocated. Erica Mulberger, Advance Central PA's Executive Director, shared the training funds would be reduced, and the number of staff that were going to be hired to provide services at the PA CareerLink® sites will be reduced. Thankfully, those positions were not all filled yet.

Commissioner Richards asked what the rational was behind the rescinding of the funds. Erica shared that the continuing resolution that passed Congress included the rescission.

Advance Central PA Operating

Advance Central PA is at 56.99% of its total operating budget. Some expenditures are above the anticipated expenditure rate, mostly due to one-time purchases at one point of the year instead of throughout the year, such as memberships and insurance.

Consolidated RSAB Expense Report

This report shows the total expenditures and revenues for the PA CareerLink® Sites. The expenditure rate is 62.73% of the expected 75%. Advance Central PA is responsible for 52% of the total shared PA CareerLink® operating costs, compared to 48% paid by the other required PA CareerLink® partners.

Subcontractor Expense Report

Brooke shared the Subcontractor's Expense Report, highlighting that the expected expenditure rate applies to most of the contracts, except for some special grants that have already ended.

Training Contracts and Obligations

From July 1, 2024, through April 30th, 2025, 119 participants have been approved for ITAs, and 37 participants have been approved for OJTs. Brooke noted the big increase compared to the entirety of FY24, where there were

76 ITAs and 33 OJTs, again noting the increase was almost entirely due to the increase in Adult ITAs and Out of School OJTs.

Fiscal Year 26 Budget Prep

FY26 Hypothetical Carryover Budget

Erica presented the Hypothetical Carryover Budget document – this document shows comparisons between allocations and estimated carryover for the core funding sources. Erica explained that Advance Central PA had received a decrease in allocations of around \$921,119. However, the state had emailed all of the areas to ask who could spend additional funding prior to June 30, 2025; our area and Philadelphia were the only two areas to respond, so funds were split between the two. The Central Region received approximately \$636,000 in one-time additional funds, split between Adult and Dislocated Worker that will help offset the allocation decrease. However, as shown on the hypothetical carryover budget, including carryover funding, the Central Region still has decreased funds of almost \$818,000 going into FY26.

FY26 Advance Central PA Operational Budget

Brooke presented the proposed Advance Central PA Operational Budget and provided a detailed explanation of each line item. Due to reduced funding, the budget does not include merit or cost-of-living increases for salaries and benefits. These figures reflect current staffing levels and exclude the previously budgeted but unfilled Operations Manager and Mentor Coordinator positions. The Communications Coordinator role is included in both the Operational and Operating Budgets; however, if the state approves funding for this position through the Operating Budget, its costs will be removed from the Operational Budget, resulting in additional savings. Overall, the FY26 budget reflects a 12.1% decrease.

FY26 Central Region Budget and Operating Budget

Brooke shared the Proposed FY26 Central Region Budget which includes core funding and all other funding streams. Brooke shared that for the allocations, the Central Region received a 13.79% decrease in Adult funds, a 28.55% decrease in Dislocated Worker funds, and a 12.83% decrease in Youth funds compared to our allocations last year.

EARN received level cost reimbursement funding of \$2,062,750, split between TANF and SNAP. For Youth funding, the TANF allocation was around 3% higher than last year.

Brooke reviewed the carryover funding, which includes the planned carryover and estimated additional carryover. The planned carryover is what is put aside during the budgeting process to help absorb potential decreases the next year. With the transfer of Dislocated Worker to Adult funds, the reserve that was put aside under Dislocated Worker has been moved to Adult to maintain flexibility.

Brooke shared the only non-core funding that has been secured so far for FY26 is through the research consortium. Jamie asked if there had been an increase or decrease in the resource consortium. So far, no areas have shared any intent to cancel their membership, so it's listed as level funding.

Brooke reviewed the expenses, beginning with Advance Central PA's costs. Currently, there is enough budgeted to meet the expenses.

Next, Brooke discussed the Operating Budget costs. The Operating Budget costs are the costs to run the PA CareerLink® sites and are split between partners based on the FTEs each partner has at each site. All sites had increases, mainly due to the addition of two items to the budgets that had previously been funded through special grants. The Communications Coordinator and the Link mobile workforce center were both added to Operating Budgets with agreement from all partners. Additionally, servers and certain computers at the PA CareerLink® sites need to be replaced. Advance Central PA is currently pursuing two grant opportunities that would allow the replacement of the computers without impacting the Operating Budgets.

Brooke reviewed training funds; in FY25, there has been a large increase in Adult Individual Training Accounts (ITAs), so approximately 37% of budget has been allocated to training.

The Service Delivery category in the budget reflects the funding allocated to subcontractors responsible for implementing various programs. Following a recent RFP process, the Jobseeker contract for the entire nine-county region was awarded to Central Susquehanna Opportunities (CSO) beginning July 1st. Upon learning of the significant funding decrease, Advance Central PA asked both CSO and Tuscarora Intermediate Unit (TIU) to provide updated budgets and staffing patterns. CSO responded with multiple scenarios – the draft budget

presented incorporates CSO's best case scenarios. Advance Central PA negotiated with TIU multiple times due to the severity of the situation.

CSO intended to take over the contract on July 1st, however many of the TIU jobseeker staff has resigned prior to the end of their contract, and Advance Central PA asked CSO to take over the contract early.

For EARN funding, CSO had requested a large increase, as they had in previous years. However, similar to previous years, CSO has not spent the majority of their funding. Accordingly, they will be level funded for FY26.

For Youth funding, Brooke explained that in previous years, In School Youth (ISY) was primarily funded through TANF, with additional support from Business and Education Partnership (BEP) and WIOA Youth funding being used for carryover participants who had been enrolled under WIOA. As participants have been transitioned to only being enrolled in TANF, this year is the first year there are no longer any ISY participants still co-enrolled under WIOA. Therefore, the ISY program will be funded solely by TANF and BEP. For the WIOA Out of School Youth (OSY), the funding had traditionally come from both WIOA Youth and TANF for participants not eligible under WIOA. Due to current funding constraints and the full allocation of TANF to the ISY program, there is no longer TANF funding available for OSY participants.

For ISY, CSO's budget request for less than last year, so they received the amount requested. For OSY, Central Susquehanna Intermediate Unit (CSIU) proposed a significant increase, due to budget reductions, they will be level funded for FY26.

Commissioner Harding expressed her appreciation for the hard work of staff to prepare the budget. She asked if there was a need to close any PA CareerLink® sites. Erica shared that there are currently no plans to close any sites at this time, but staff are keeping a close eye on the WIOA reauthorization process.

Commissioner Richards also expressed her appreciation for a job well done and questioned if we should expect performance measures to decrease because of lack of funding. Erica shared insights into how performance negotiations are handled at the state level and that performance measures have already been negotiated, emphasizing the importance of maintaining high-quality services despite limited funding.

Erica also shared that a new Executive Order (EO) was released at the end of April, titled "Make America Skilled Again", with the intent of reviewing all federal workforce programs.

▲ Todd Taylor made a motion to approve Fiscal Year 2026 Advance Central PA Operating Budget. Stacy Richards seconded the motion. The motion was unanimously approved with no abstentions.

▲ Angela Harding made a motion to approve Fiscal Year 2026 Central Region Budget. Todd Taylor seconded the motion. The motion was unanimously approved with no abstentions.

Open Discussion

Erica highlighted the implications of the proposed WIOA reauthorization, which includes increasing the required percentage of funding allocated to Adult and Dislocated Worker training programs to 50%. She explained that with our current budget, we are only meeting 73% of this new target for Adult funds. If implemented, a large amount of funds currently spent on the PA CareerLink® sites, staffing, and service delivery would need to be spent on training. Commissioner Harding emphasized the importance of keeping rural Pennsylvania at the forefront of these discussions, stressing how vital these resources are to our local communities.

Upcoming Meeting Dates

The Audit Finance Committee will meet as needed.

Adjournment

Jamie Aurand adjourned the meeting at 3:01 PM

Respectfully submitted,



Office/Board Coordinator