

**Broward Workforce Development Board**

## Executive Committee

Monday, November 30, 2021

12:00 Noon – 1:30 p.m.

**Zoom Meeting ID: 882 1242 9867**

**Zoom Password: 041209**

**Zoom Call in: +1 646 876 9923**

**The Committee is reminded of the conflict of interest provisions. In declaring a conflict, please refrain from voting or discussion and declare the following information: 1) your name and position on the Board, 2) the nature of the conflict and 3) who will gain or lose as a result of the conflict. Please also fill out form 8B prior to the meeting.**

**CareerSource Broward Boardroom**

**2890 West Cypress Creek Road, Ft. Lauderdale, FL 33309**

MEeting minutes

attendees via Zoom/phone: Gary Arenson, Zac Cassidy, Dr. Ben Chen, Frank Horkey, Dr. Lisa Knowles, Kevin Kornahrens, Mayor Frank Ortis, Pam Sands, Rick Shawbell, and Janet Wincko

Guests: Charlene Pou, New Horizons

Staff: Carol Hylton, Rochelle Daniels, Ron Moffett, and Amy Winer

APPROVAL OF MINUTES

Approval of the Minutes of the 10/11/21 meeting.

**On a motion made by Gary Arenson and seconded by Dr. Lisa Knowles, the Executive Committee unanimously approved the minutes of the 10/11/21 Executive Committee meeting.**

**NEW BUSINESS**

1. **Nomination for Broward Workforce Development Board, Inc. Vice Chair for 2022**

Considered recommending the nomination of Mr. Heiko Dobrikow as the BWDB Vice-Chair to the BWDB and the CSBD Council of Elected Officials to serve out the remaining term of Ms. Wincko beginning on 1/1/22. An email was sent to the Board soliciting nominations for the Vice-Chair on 10/20/21. Mr. Heiko Dobrikow was nominated by several members. All other officers will begin the second year of their terms on 1/1/22. Approved at the 11/18/21 Ad Hoc Nominating Committee meeting.

Frank Horkey provided an overview of the process for the nomination of Vice-Chair for 2022.

**On a motion made by Mayor Frank Ortis and seconded by Zac Cassidy, the Executive Committee unanimously approved recommending Heiko Dobrikow as Vice-Chair to serve out the remaining one-year term of Ms. Wincko beginning on 1/1/22.**

1. **Membership Renewals and Fixed and Staggered Terms Under WIOA**

Considered recommending the reappointment of all BWDB members in accordance with the newly assigned fixed and staggered terms beginning 1/1/22. Members are listed in alphabetical order by last name within their category of membership and assigned to a 1 or 2-year term. Where an individual represents 2 categories it has been noted in the chart. The CSBD Council of Elected Officials appoints Board members following a recommendation from the Board. Approved at the 11/17/21 Ad Hoc Organizational Resources Committee meeting.

Frank Horkey went over the reappointment of all the board members with the newly assigned fixed and staggered terms beginning 1/1/22.

Mr. Horkey asked Ms. Hylton if any board members are double hatted. Ms. Hylton responded that Dr. Lisa Knowles and Mayor Frank Ortis are double hatted. Dr. Knowles was counted in the Education Category, Mayor Ortis in the Labor Category and both are also listed as private employers.

**On a motion made by Janet Wincko and seconded by Gary Arenson, the Executive Committee unanimously approved the reappointment of all Board members in accordance with the newly assigned fixed and staggered terms beginning 1/1/22.**

1. **Compensation Study**

Considered adjustments to CSBD and EmpHire staff compensation plans. CSBD has not reviewed staff compensation and benefits since 2015. We had 41 resignations this year and currently have 14 open positions with compensation cited by most as the reason for leaving. DEO tells us that inflation is currently running at 4.2% in Broward County. CSBD has surveyed the other large boards, and the Council governmental units. Based on the data, staff recommended 1) a one-time Cost of Living Adjustment (COLA) of 3%. However, during the 11/17 Organizational Resources Committee meeting the Committee recommended that we follow the County’s lead and award staff a 4% COLA 2) adjusting our salary ranges for CSBD and EmpHire positions by 3% to be more competitive and 3) increasing the employer match for our retirement plan from 2.6% to 4.6%. The cost of the COLA will be $244,993 at 4% and the increase to the retirement contribution will be $99,969 for a total of $344,962. Approved at the 11/17 Organizational Resources Committee meeting.

The increase in the employer contribution for the retirement benefit from 2.6% to 4.6% of the employees’ salary will bring CSBD’s employer match up to a cap of $9,000.

Ms. Sands inquired if we would still be within our administrative cost cap. Ms. Hylton responded yes.

Mr. Horkey advised the committee that the COLA does not include Ms. Hylton as her salary was discussed at the October board meeting.

Mr. Horkey suggested that next year we look into a 125 Cafeteria Plan that allows employees to pay qualified medical, dental, or dependent-care expenses on a pretax basis. He further indicated that this suggestion is not a part of the current motion.

Ms. Sands recommended that we monitor when the County does a COLA in the future and bring that information to the Board for action in order to keep pace with the labor market.

Frank Horkey indicated that at the Organizational Resources Committee meeting a bonus was discussed as a pay adjustment as this was something we did a long time ago. Rochelle Daniels advised the committee that bonuses were a red flag to auditors and if the committee felt the pay adjustment was not sufficient they should reconsider the amount of the COLA. Mr. Arenson felt that to remain competitive that he would like to see the COLA increased to 5%.

Dr. Chen acknowledged his support and inquired how our compensation across all of our positions compares with the other large regions and non-profits including the Children’s Services Council.

Mr. Horkey responded that CSBD has surveyed the other large boards and the Council governmental units but there is not always a direct match across all job classifications. Ms. Hylton explained that CareerSource Palm Beach did not provide us their compensation study but advised us that based on their study they increased all pay ranges by 3%.

Mr. Horkey stated that several years ago CareerSource Palm Beach did provide us the compensation study but the past couple of times they have not given it to us. Mr. Horkey advised that in 2 years we should consider procuring our own compensation study. Mr. Horkey stated there has been discussion to provide senior level staff an additional employer contribution for the retirement benefit up to $1,250 for a total match of up to $10,250. Mr. Arenson stated that he would like everyone’s benefits to be the same.

Mr. Arenson requested that we increase the employer’s contribution from $9,000 to $10,250 for everyone. Mr. Horkey stated that we would need to amend the motion and bring the new numbers to the Board meeting.

Mr. Kornahrens stated that it would be a good idea to look into the fees associated with the retirement plan. Ms. Hylton stated that she would have our HR Department contact our retirement plan representative and discuss if re-negotiating the fees is possible.

**On an amended motion made by Dr. Lisa Knowles and seconded by Mr. Cassidy, the Executive Committee unanimously approved 1) recommending a 5% COLA 2) adjusting the salary ranges for CSBD and EmpHire positions by 3% and 3) an increase in the employer match to the retirement benefit up to $10,250 per employee or about 5% of the salaries of those participating.**

1. **Food and Beverage Purchases**

Considered approving up to $23,500 from the General Fund for food and beverage expenses for 2022, as the state does not allow us to use grant funds for these expenses. We use these funds for 1) board and committee meetings 2) staff planning sessions and day-long staff training 3) employer forums 4) networking events such as chamber of commerce/industry association meetings 5) community meetings attended by the President/CEO, Executive Vice President and management and 6) staff appreciation up to 3 times per year. We have not spent much while meeting virtually but we are slowly returning to in-person meetings. This is the same amount set aside in previous years. Unspent funds remain in the General Fund. As the Audit Committee meets directly prior to the Executive meeting, the recommendations will be presented at the Executive Committee meeting.

**On a motion made by Kevin Kornahrens and seconded by Zac Cassidy, the Executive Committee unanimously approved up to $23,500 from the General Fund for food and beverage expenses for 2022.**

1. **“Due to Due from” Balance**

Considered zeroing out a “due to due from” balance. During the presentation of the 2018 -2019 Audit to our governing boards we noted a “due to due from” of about $1,000,000, on our books. The origin of the “due to due from” dated back to the period during which the CSBD Audit was performed by Grau & Associates. This was not a compliance finding. It was a marker denoting funds might need to be transferred from one funding stream to another. Research identified $600,000 which was noted in the 2019 – 2020 CSBD Audit Report reducing the “due to due from” to $366,747. In preparation for this year’s audit we researched back to 2011 but were unable to identify any funding stream which has not been reconciled and balanced. After conferring with our Audit Firm we are asking the governing boards to approve our zeroing out this balance. We believe the “due to due from” resulted from the myriad of aggregated adjustments; we were directed to do by Grau & Associates, which did not tie back to individual costs. It should be noted that all of our federal and state grant reports balance and no findings have been identified going back to 2011 that would support the remaining balance of the “due to due from.” As the Audit Committee meets directly prior to the Executive meeting, the recommendations will be presented at the Executive Committee meeting.

Ms. Daniels provided an example of how a “due to due from” could arise. She explained that when the state does not receive federal funds on time for a particular grant that we are often instructed to use existing funding streams until the delayed allocation is received. For example, we might charge staff and overhead to a related grant, which can support the same activities. When the delayed federal funds become available, staff and overhead are charged back to the original funding stream.

We spoke with Mr. Brunson our partner for our current audit engagement and he advised zeroing out the $366,747. Per his guidance, we are bringing this forward and asking for approval to zero out the “due to due from.”

Mr. Horkey stated that our external and internal reports are correct and taking this action simply balances our books.

**On a motion made by Zac Cassidy and seconded by Gary Arenson, the Executive Committee unanimously approved to zero out a “due to due from” balance.**

1. **Selection of School Board (SBBC) to Provide a WIOA In-School Youth Program**

Considered approving up to $500,000 to be divided among 2 providers subject to staff negotiation with the majority of the funds to be awarded to the SBBC because of their WIOA experience and as recommended by the Review Committee that met 11/16. The Review Committee was comprised of members of the Board and the One Stop Committee. The contract will be for an initial 18-month period and for two (2) renewable one-year terms. Since Board member, James Payne, is employed by the SBBC, this recommendation must be approved by a 2/3 vote of the Board members present with an established quorum at a Board meeting.

Mr. Ron Moffett indicated the program will fund employability skills and a work experience related to their career interests for high school seniors.

**On a motion made by Gary Arenson and seconded by Rick Shawbell, the Executive Committee unanimously approved the selection of the SBBC to provide a WIOA In-School Youth program.**

1. **Selection of Junior Achievement (JASF) to Provide a WIOA In-School Youth Program**

Considered approving up to $500,000 to be divided among 2 providers as recommended by the Review Committee which met 11/16. The Review Committee comprised of members of the Board and the One Stop Committee recommended staff negotiate sufficient funds to serve up to 20 youth as JASF is a new provider and has no experience with WIOA requirements. The contract will be for an initial 18-month period and for two (2) renewable one year terms.

**On a motion made by Gary Arenson and seconded by Janet Wincko, the Executive Committee unanimously approved the selection of JASF to provide a WIOA In-School Youth Program.**

1. **Delivery of Out of School Youth Services Through the Career Centers**

Considered approving the delivery of out of school youth (OSY) services through the career centers under the EmpHire Contract. Our RFP for the career center staffing company was general and allows us to add youth case managers under that procurement. In the spring of 2021 all local areas were advised to exit participants who were not making sufficient progress in their programs. Because of the changes that would have to be made to their program design Broward College recently informed us that they would like to terminate the contract for convenience and regroup in the future to see how we might partner more effectively. To assure we meet OSY expenditure goals, it is recommended that we provide services to a cohort of OSY through the career centers.

Ms. Daniels stated that we exited youth before the end of program year due to DEO’s new exit policies. These new exit policies cause the data system to automatically exit youth at many points during their time in the program. As a result, if a youth is in a long-term program and takes a semester off, or cannot get the classes they need and skip a semester, they would be exited even though they considered themselves to still be participating.

Ms. Daniels advised that the RFP for EmpHire staffing of the career centers would allow us to add youth case managers to the staffing of the centers. This would allow the case managers to refer youth for training to any of the courses on the ITA list.

Mr. Arenson inquired if this was allowed. Ms. Daniels responded that boards are allowed to provide framework services like recruitment, case management, work experience, and placement. In this case, it is the staffing company providing the services. We will not be providing any training, so what we are recommending is allowable.

**On a motion made by Rick Shawbell and seconded by Dr. Lisa Knowles, the Executive Committee unanimously approved the delivery of Out of School Youth Services through the career centers.**

1. **2021 Stop-Loss Coverage**

Each year we bring the Stop Loss coverage for our self-Insurance health policy to the governing boards for approval. This insurance caps payouts in the event of claims in excess of $75,000 per individual. This coverage also includes pharmacy expenses incurred by any employee. The Request for Proposals issued in 2020 allowed for 2 renewals depending on cost reasonableness. Our insurer is not increasing our premiums this year and we recommend renewing with our current company, American Fidelity Assurance, at the same projected cost of last year of $273,968.

**On a motion made by Zac Cassidy and seconded by Kevin Kornahrens, the Executive Committee unanimously approved the 2021 Stop-Loss Coverage.**

1. **Add New Program for Existing Provider FVI School of Nursing & Technology**

Considered adding existing eligible training provider FVI School of Nursing & Technology Nursing Assistant course to the Individual Training Account list for Welfare Transition Program & WIOA out of school youth participants. CSBD reviewed the application for completeness and to ensure that Board mandated criteria are met for this school, the training program and related occupational title. Approved at the 11/2 One Stop Services Committee meeting.

Mr. Moffett added that FVI is an existing provider who has met the board's mandated criteria. He further advised that referrals to this training program will be available to our WTP and WIOA out of school youth participants.

**On a motion made by Zac Cassidy and seconded by Gary Arenson, the Executive Committee unanimously approved adding a new program for the existing provider FVI School of Nursing & Technology.**

1. **Add New Training Providers Galen College of Nursing and Florida Career College**

CareerSource Broward received applications from two new schools to become Eligible Training Providers and add a total of ten (10) programs to the Individual Training Account list. Consideration to approve 1) Galen College of Nursing and add three (3) training courses and 2) Florida Career College and add seven (7) courses to the ITA list. Approved at the 11/2 One Stop Services Committee meeting.

Mr. Moffett stated the courses submitted by both colleges will prepare WIOA adult and WTP/WIOA youth participants for employment in occupations that are in-demand.

**On a motion made by Mayor Frank Ortis and seconded by Gary Arenson, the Executive Committee unanimously approved the addition of new training providers Galen College of Nursing and Florida Career College and the addition of a total of ten (10) programs to the Individual Training Account list.**

**REPORTS**

Frank Horkey introduced the following reports and asked if the members had any specific questions they wanted staff to address. Hearing none, Mr. Horkey did draw the committee’s attention to item #8 on how our monitoring findings compared to the other big regions. Mr. Horkey stated that we are doing better than all of the other big regions. He congratulated staff for a job well done. He further stated that the monitoring reports were reviewed by the Audit Committee that met just prior to this meeting and that there were no questions raised.

1. **Performance Update on WIOA Out-of-School Youth (OSY) Providers**

This is to report on CSBD youth providers’ program performance through the end of September 2021. CSBD has 5 OSY program contracts for the delivery of WIOA services to the youth of Broward County. The 2 full service and 3 navigator OSY programs provide services to youth who have barriers to employment and need assistance with career development.

1. **General Fund Balance**

On 5/31/21 the General Fund balance was $827,311. Since then, we have realized revenues of $99,537. This also reflects expenditures of $63,223. The General Fund balance as of 9/30/21 is $863,625. Of this amount, $408,844 is held in reserve leaving a balance of $454,781, which is uncommitted.

1. **Budget v Expenditure Report**

The Budget v Expenditure Report indicates some under-expenditure in the WIOA adult/dislocated worker and youth funding streams. We are expanding our outreach efforts, scheduling ITA fairs, getting ready to launch an in-school youth program and preparing to serve OSY through the one-stops in order to increase expenditures.

1. **DEO PY 20-21 Fiscal Monitoring Report Issued 8/21**

The Florida Department of Economic Opportunity (DEO) issued their 20-21 Financial Compliance Monitoring Report for the period 4/20, through 3/21, on 8/31/21. There were zero (0) findings, non-compliance issues or observations.

1. **DEO PY 20-21 Program Monitoring Report Issued 8/21**

DEO issued their Program Monitoring Report for the period 4/20 through 3/21, on 8/31/21. They reviewed a total of 195 files consisting of 5,535 elements. There were 2 findings and 5 non-compliance issues. The findings equate to an error rate of (.04%) less than 1%. All findings and non-compliance issues were corrected except where cases were closed and no further action could be taken. Our Corrective Action Plan was accepted on 10/8/21.

1. **Cherry Bekaert LLP Fiscal Monitoring Report #3 PY 20-21 Issued 8/21**

Cherry Bekaert conducted fiscal monitoring for the period 3/1/21 through 6/30/21. Cherry Bekaert reviewed a total of 1,046 elements during the review period. There were no findings or observations. Based upon the total elements reviewed, this was a 0% error rate.

1. **Taylor Hall Miller Parker, PA, Program Monitoring Report #3 PY 20 – 21 Issued 9/21**

THMP conducted program monitoring for the period 2/26/21 through 7/29/21. They reviewed a total of 175 files consisting of 7,327 elements. There were 11 findings and 23 observations. This equates to an error rate of (.15%) less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

1. **Comparison of Program Year 19-20 Programmatic Monitoring Results for the Big Seven Regions**

At the request of the Audit Committee, CSBD asked the state for information on how our monitoring findings compared to the other big regions. For Program Year 19/20, CSBD had 2 program findings and 5 program non-compliance issues. This was the lowest number of all the big seven regions. The other regions’ reports noted 3 to 13 findings and 6 to 13 noncompliance issues. Across all regions for PY 19/20, there were a total of 183 findings and 151 noncompliance issues.

**MATTERS FROM THE EXECUTIVE COMMITTEE**

Mr. Arenson asked to be recognized by the Chair and inquired as to why the meeting schedule item that was discussed at the Organizational Resources Committee was not on the Executive Committee agenda. Ms. Hylton responded that we are bringing it directly to the Board meeting. She further noted that the vote was not reopened at the Organizational Resources Committee meeting and the Executive Committee already approved this item. Ms. Daniels stated that in her opinion the item did not need to go back to the Executive Committee.

Ms. Sands stated that she chaired the Ad Hoc meeting where this item was discussed and it was decided to bring the item directly to the Board.

**MATTERS FROM THE FLOOR**

None

**MATTERS FROM THE PRESIDENT/CEO**

Ms. Hylton advised that the Paychecks for Patriots hiring event went well. Michelle Dennard, CareerSource Florida President, and Casey Penn, DEO Bureau Chief for One Stop and Program Support were in attendance. Ms. Hylton thanked Rick Shawbell, Frank Horkey, and Mayor Levy for   
  
coming to the event. Mr. Shawbell stated that it was a wonderful event and thanked staff for all their hard work. Mr. Horkey stated there was a large turnout of job seekers and employers. Ms. Hylton further noted that one of the high schools did the color guard and a veteran organization gave out plaques to employers for participating and to recognize them for being veteran-friendly.

Ms. Hylton also informed the governing boards that the State told us that we are the recipients of the competitive discretionary Get There Faster Grant for Veterans and Military Spouses. We will receive about $1.1M for veterans and their spouses and families.

**ADJOURNMENT 1:19 p.m.**

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| **THE NEXT EXECUTIVE COMMITTEE MEETING IS TO BE DETERMINED.** |