



Board of Directors Committee Meeting Minutes

June 4, 2020

12 Noon

Conference Call: Scott Watson, Beth Cicchetti, Jeanna Olson, Maria Mead, Rebecca Kelly-Manders, Shelly Bell, Nina Self, Martina McDowell, Jonathan Gray, Renisha Gibbs, Patrick Hutto, Kevin Vaughn, Cristina Paredes and Tom Eisel.

Absent: Mauricio Endara, Holly Henderson, Melissa Rudd, John Shuff, Amber Tynan, and Tawana Gibbs.

Staff/Guests Present: Jim McShane, Matt Salera, Charlotte Brown, Kara Palmer-Smith, Dee Robinson, Trish Yahn, Richard Powell, Dan McGrew, and Paul Dunn

Recording: Patricia McCray

I. Welcome & Intro of New Board Members S. Watson Verbal
 1. Announcements

Chair Watson welcomed everyone and called the meeting to order at 12:04pm. He appreciated everyone's participation, time, and effort to serve on this board and the important work that they are doing. Chair Watson stated they have two new board nominees. They thought it would be three, but they are still in the process of getting those two approved by their respective county commissions. Scott hopes this will be done before the next full board meeting, and they will keep everyone informed on the process.

Chair Watson added one of the board members, Christie St. Jean is the interim site manager for BASF, a mining operation in Gadsden County. She will be their business representative. The other board member is Lisa Blaser, who will replace Steve Capenos, TMH HR Manager.

II. Board Member Appreciations J. McShane Verbal
 And Acknowledgements

Jim stated they were going to announce the new board members at the beginning, but they are complete with the process of working with Leon and Gadsden Counties. Jim stated that Beth would provide more information in the Nomination Committee's report.

III. April 29th Meeting Minutes Approval **Action Item I** **Pages 1-10**

Chair Watson asked if anyone had any questions or comments about the April 29, 2020, Board meeting minutes. There were none.

Motion: Chair Watson entertained a motion to approve the April 29, 2020 minutes. Kevin made the motion, and Maria seconded. All in favor.

Action Item I approved unanimously.

Chair Watson stated next is the Audit Committee report by Tom Eisel. Matt stated Richard Powell from Powell & Jones would present the 2018-2019 Audit Report and the 2018 Form 990 Report.

IV. Audit Committee – Tom Eisel

a. 2018 – 2019 Audit Report

Action Item II

Pages 11-44

On pages 7, 8, and 9 is the audit opinion. It states that it is a complete audit of the organization, conducted in accordance with applicable auditing standards. That includes the financial auditing standards, and government auditing standards, and federal single audit standards. So there are three levels of required audit procedures and all that, what you see is a clean, unmodified opinion that states the financial statements are an accurate reflection of how a Capital Region stood at the end of the fiscal year and what transpired financially during the year. We have that highest level of assurance, which is a good reflection on the quality of the financial records and practices of the organization.

In the next section, beginning on page 10, there's some call management's discussion, and analysis is some required overview information on the organization. But since it is derived from the financial statements, Richard stated he would go directly to pertinent financial statements, and we've probably already but ask that you read that on your own. First, one being on page 16, the Capital Region follows the governmental model in financial reporting, which fund is accounting. And so it has one fund, the general fund. So this is the balance sheet of the general fund. The first category is the assets, what you own, the total being \$751,636. And see it's about a little over half of that is cash on hand. The balance is mainly of the grant funds receivable; often, you have to spend the money to receive the grant funding. The liabilities were \$484,040.

You can see the relationship between the grant's receivable and the accounts payable. We have to kind of balance your grants receivable with your vendor payables because, by default or the way a workforce board operates, your equity is not substantial hard to build up reserves just because you can't make money off of grant funding. Fund balances are cash reserves. You have three components. You have a small amount that is nonexpendable representing your prepaid expenses. But your board has assigned an amount equal to the compensated absences liability \$56,755, and the unassigned amount was basically the unrestricted amount that can be used for any approved expenditures even if they are not a grant.

On page 17 is a statement of revenues, expenditures, and changes in fund balance. Your total revenue is \$6,168,222 total expenditure \$6,156,891. This year, you basically operated with income. You had an excess revenue over expenditures of \$11,331, which increased the fund balance to \$267,596, and after that is your notes and disclosures. And most of yours are just required disclosures.

On page 24 is a table, to be of your capital assets and shows your capital assets at costs \$279,139. Accumulated depreciation \$219,742 net assets \$397. This tells us the capital assets are older, and they are approximately 78% depreciated, so they are older. Below that is a lease commitment, should be made on leases, generally for occupancy.

On page 28 is a statement or schedule that shows, budgetary performance for the year. And it shows that you did not earn all the revenues in the budget, but you likewise could not spend all the authorized expenditures. So, you operate well within the budget. You were depositing almost \$32,000 per year.

So, I would say financially you had a successful year; the year ended about precisely the same at the end of the years and the beginning.

On page 30 and 31, is a schedule of the grants, the federal grants that you received during the year, and the State and Grant Organizations utilize this schedule. Now on pages 33 and 34 is our report regarding audit procedures required by government auditing standards. These procedures go beyond the financial

numbers and include internal control over financial reporting, financial periods, laws, regulations, policies, and Board there are no findings or questions asked in this report.

On Pages 35, 36, you see an equivalent report on the federal single audit requirements due to the level of your federal grant funding; we are required to do compliance procedures on major programs. These procedures generally are additional compliance requirements in this report, and there are no findings or questions asked.

On pages 37 and 38, there is a recap schedule on all of those responses for positive responses. So I would say for the year that again, I'll say that you operated about exactly even, you operated within your budgetary constraints, and you had no findings regarding government auditing standards or federal single auditing standards.

Richard opened the floor for questions, and no questions were asked. No one responded. Chair Watson thanked Richard for his report and asked him to move on to the IRS Form 990.

b. 2018 IRS Form 990

Action Item III

Pages 45-82

Mr. Powell thanked everyone for allowing Powell & Jones to complete the Audit Report and the IRS Form 990. The form 990 for the year 2018 has been reviewed by Matt, and it is prepared based on the information in the original financial statements. It is very extensive, and it has been received, reviewed, and presented to the two prior committees. Reminding everyone, this reflects the original financial statements. Mr. Powell opened the floor to answer questions for those not familiar with the IRS Form 990.

Chair Watson thanked Mr. Powell for his reports. Both Action Item II, the Audit Report, and Action Item III the IRS Form 990 report. The documents and Mr. Powell's presentations have been through the Finance Committee and the Executive Committee. They were vetted through by both of those committees and are now presented to the full board, so if anyone has any questions or our comments, we will certainly be glad to entertain them.

Motion: Chair Watson entertained a motion to approve Action Item II, the Audit Report, and Action Item III the IRS Form 990 report. Kevin made the motion, and Cristina seconded. All in favor.

Action Items II and III approved unanimously.

V. Consent Agenda

Action Item IV

(Note: If any Board member believes any item on the consent agenda requires discussion or a separate vote, the Board member may request that the item(s) be removed from consent agenda and placed on the regular agenda for consideration.)

1. Finance Committee – Nina Self

Verbal

a. Budget 19-20 (Unrestricted)

Page: 83

b. Budget 19-20

Page: 84

c. Budget 20-21 (Unrestricted)

Page: 85

d. Budget 20-21

Page: 86

2. Nominating Committee – Beth Cicchetti

a. Lisa Blaser – Application and Resume

Page: 87-92

Motion: Chair Watson entertained a motion to approve the Consent Agenda items – the Finance Committee Reports and the Nominating Committee Reports. Beth made the motion, and Kevin seconded. All in favor. **Consent Agenda Items 1 and 2 approved unanimously.**

VI. Strategic Policy and Planning Committee – Jonathan Gray Verbal

Jim stated the Strategic Policy and Planning Committee reviewed the DEO Grantee Subgrantee Agreement that has been signed by two out of their three elected officials. They are waiting for one elected official to sign. Jim stated the Agreement had several issues in the second version, which DEO made mandatory to sign, has been softened.

After the Gadsden County Commissioner signs it, he will forward it on to the DEO, and it will be submitted early before the July 15th deadline. Jim ended his report and asked if anyone had questions regarding the DEO Grantee Subgrantee Agreement.

Chair Watson stated it is commendable that Jim and his staff have continually worked to navigate through the new DEO Grantee Subgrantee Agreement with DEO and the state as well as continuing the successful operations of the Career Center amid the coronavirus COVID-19 pandemic. Thank you, Jim, and the CareerSource Capital Region team very much.

Chair Watson asked Kara to provide her senior director report.

VII. Senior Director Report K. Palmer- Smith Verbal

Kara thanked Chair Watson and provided her report.

Business & Employer Solutions

The Business Solutions Team including manager Trish Yahn has provided almost **8,600** solutions since July 2019. Since COVID-19 arrived, **929** solutions have been provided. Employer Workshops and Candidate Referrals have been among the top solutions provided during this time.

In the months of March, April & May, the BES team presented 4 professional development workshops, generated 3 fee for service (1 social medial advertising, 1 professional development workshop, 1 off-site recruitment and 1 sponsorship for webinar), and totaling \$1,247.00. So far this year, we have generated close to \$10,000 in fee for service and event specific sponsorships.

We are hosting a three part webinar series, which features our PD workshops on April 28th we held CT with 90 attendance and May 13 EI, 50. We will have the last one for the PY on 6/16 Improving Multi-Generational Communications – 50 registered to date.

New Employer Relationships

Five new employer relationships were developed during this period.

Sector Rounds

The IT & Professional Services Sector Round was held on May 5
Manufacturing was held on June 2 – Local Manufacturer spoke on Pivot.
Construction June 23
All sector rounds are fully functioning with committees, etc.

Networking and Community Engagement

****Due to Covid-19 all networking and community engagement activities are virtual****

Projects

The Talent Innovation Summit is on October 7 (Hybrid Model – Virtual and In-Person). The registration opens on June 17th and Sponsorship opportunities are available now.

Talent Innovation Summit Updates....October 6 (Hybrid, Sponsors Open – Goal is 120 in attendance – 45 to 50 in person the remainder virtual.

Virtual Hiring Fair

We have reviewed several platforms and are trying to narrow down. The features deemed important are Video Chat, Networking Lounges, Technical Support, Real Time Job Board, Secure Chat, Customized branded booths, etc. We are really trying to analyze the investment. For now, we are utilizing Zoom. We have narrowed to two and will be speaking with both companies in the next week or so to make a final decision.

REACT

There is now a section on our website with virtual rapid response tools to quickly get citizens back to work.

Pre-LEAD (August 6)

Registration Opens on June 12 - \$50 (Explain the sessions and speakers)

Events Calendar

Created for 2020-2021, 26 events + BPAC meetings includes a combo of virtual, hybrid and in-person. Structured to change as needed.

Executive Center

The Executive Center is currently in transaction as we move to service provider management under the new RFP/Contract. The service provider has already posted for staff. Trish are developing various plans and reports for the transition. It will be housed at the Leon Career Center.

Special Projects/Grants

Hurricane Michael – National Emergency Grant

We are in close out mode and will have a report by July 5.

Manufacturing Sector Strategy Grant

We continue to work with manufacturing employers to get them interested in the grant. We will be working to get the career seekers enrolled and extension has been granted. We have 30 career seekers on an interest list. The first phase of the sector strategies plan will be share in mid-July.

Apprenticeship

The Apprenticeship expansion grant has been expanded from IT to also include Health Care, Manufacturing, Construction, and the Trades. We are currently working with TRACCA and Utility for the fall. June 9th is when we have a webinar scheduled for from 11:30am – 12:15pm.

COVID-19 Grant

The Florida Department of Economic Opportunity (DOE) awarded the NDWG for COVID-19 to CareerSource Capital Region (CSCR) in April 2020. The purpose of the grant is to provide temporary disaster relief employment opportunities for unemployed and dislocated workers impacted by the disaster. CSCR will place career seekers in disaster-relief employment for humanitarian, delivery and cleaning positions. We have two info session today. One at 1:15 for employers and career seekers at 2:15 (both will be streamed live on FB).

Chair Watson thanked Kara for her report. He asked Dee to provide her senior director report.

VIII. Senior Director Report

Dee Robinson

Verbal

1. Monitoring

a. Final report was expected in April; however, we have been told that the staff is working diligently to get out their reports and provided no estimated timeframe for receipt.

2. Performance

a. WIOA Indicators of Performance – 14 measures (**employed, retention, credential rate**)

i. **3rd quarter - Exceeding 6, meeting 6, not meeting 2** (Youth employed second quarter after exit AND Youth credential attainment)...last quarter, Exceeding 7, meeting 4, not meeting 3. Not meeting Youth employed for last 2 quarters and Youth credential hasn't been met since Q1 for PY 18-19. Youth can be hard to keep engaged, might not finish training or provide information needed to have positive outcomes. Also, yrs ago we used a short-term training that allowed us to capture a credential earlier in our engagement with the youth but it was later determined that the credential does not meet the federal definition of an industry recognized credential. This means that any youth with this credential could count as a negative.

b. **Continuous Improvement Performance Initiative**

i. Focused on **placement, participant training rate, business penetration** – performance data was updated effective 5/19/20. CSCR **met** our performance goal for the **Employed 1ST Quarter After Exit (this was a lagging measure and the first time it has been reported)** as well as meeting the **Participant Training Rate** for both available quarters. Based on the information available, it does not appear that we are on target to meet for the 3rd quarter. Affected by the local decision to pause on enrolling individuals for training services due to a lack of funding.

3. Other news

a. Direct Provider of Services – WIOA requires that any local area wanting to provide direct services must request to do so and have the approval of Chief Elected Officials, board and governor. CSCR is under an extension that will end on 6/30/20. A request was submitted on **4/28/20** for CSCR to provide **direct services to its business customers as well as individuals who are eligible for special grants such as National Emergency Grant, Manufacturing Grant, Apprenticeship Grant,**

etc. The current request will allow CSCR to provide direct services to these populations for the next three years beginning 7/1/20.

b. WIOA Four Year Strategic Plan – submitted remaining documentation on 5/1/20. Haven't received any communication that additional revisions are necessary. CSF Board's meeting was this morning and their Strategic Policy & Performance Council recommended approval of both the direct provider of services request and the 4 year plan. Thanks to all who had a hand in making this possible.

c. Technology updates (online resources)

i. **Career Edge Pilot** coming to an end on 6/30/20, online career readiness portal. Thanks to Kara and team, looking to see how businesses can benefit from system (professional development courses). Hope to increase engagement in this last month of the trial so that we can have solid information to determine if this is a good fit for the region.

ii. **Metrix Learning** – online learning management system to assess for skill gaps, provide training content to close gaps, and explore career pathways. Great option to continue to provide training services.

Dee asked if anyone had questions. No one responded.

Chair Watson thanked Dee for her report and asked Jim to provide his report.

IX. Chief Executive Officer Report

J. McShane

Pages:101-103

Jim stated he provided his report which is included in the agenda packet. Jim mentioned to Board the Career Centers are open by appointment only at this time. Dan and his time are doing a great job. Staff is also help individuals with their connect issues as best as they can, although they are not authorized to access the system to make changes. However, staff enjoys setting appointments which allows them to concentrate and focus on a client. Jim ended his report and asked if anyone had questions.

Chair Watson thanked Commissioner Maddox and Commissioner Messersmith for joining us today and asked if they had comments.

Commissioner Maddox thanked the CareerSource Capital Region staff and the Board for the great work they have consistently done throughout the COVID-19 pandemic. It's going to be a lot of work for CareerSource Capital Region staff as people get back into the workforce and the time to prepare is now. It is only a matter of time when the unemployment benefits will end, and people will be looking for work and systems will crash. He stated he appreciated the staff thinking ahead. Commissioner Maddox stated if there is anything Leon County can do now or in the future, please let them him know. Now the trend will be to get people to go back to work, please let us know and we will be right here to help. Thank you, Mr. Chairman, Jim, thank you staff and thank the Board for the work they do in all our communities.

Chair Watson thanked Commissioner Maddox for his support. Chair Watson asked Commissioner Messersmith if she had any comments.

Commissioner Messersmith thanked Jim and his staff for everything they do. She stated Jim keeps everyone informed on what is going on with DEO and the Workforce Boards. If there is anything that she or Wakulla County can do to help, please do let her know.

Chair Watson thanked Commissioner Maddox and Commissioner Messersmith for their comments and their support to CareerSource Capital Region. Chair Watson reminded everyone to submit their Form I – Statement of Financial Interest before July 1 and if they had questions about the form to contact Jim or Patricia.

Chair Watson asked if anyone had any other questions or comments and if not the meeting is adjourned and he thanked everyone for their participation in the meeting today.

X. Adjourn

S. Watson

Chair Watson adjourned the meeting at 1:10pm.

Note: *The following items are included in the packet for informational purposes only:*

Revenue & Expense Statement 19-20 (Unrestricted)

Information Item I

Page: 104

Revenue & Expense Statement 19-20

Information Item II

Pages: 105-121

¹After motion and second, and after board members' discussion, the public is invited to comment with a 3-minute limit and 12 minute overall limit.

Next Meeting:

TBD Annual Celebration