

Finance Committee Meeting Minutes
February 26, 2021
9:00am

Conference Call: Nina Self, Tawana Gilbert, and Scott Watson

Absent: Josh DeSha

Staff/Guests Present: Jim McShane, Matt Salera and Dee Robinson

Recording: Patricia McCray

I. Welcome and Call to Order:

Chair Self welcomed everyone and called the meeting to order at 9:00am. She thanked everyone for taking time out to participate in the board conference call. She explained that the public can participate with comments held to 3 minutes and 12 minutes overall.

II. Action Item I: Meeting Minutes Approval – August 18, 2020

Chair Self asked if anyone had any questions or comments about the August 18, 2020, Finance Committee meeting minutes. There were none.

Motion: Chair Self entertained a motion to approve the November 4, 2020 minutes. Scott Watson made the motion, and Tawana Gilbert seconded. All in favor.

Action Item I approved unanimously.

III. Revenue & Expense Statement 20-21 (Unrestricted) – Information Item I

Matt stated that Information Item I is the current year's unrestricted revenue non-federal funds. It's an expense statement midway through the fiscal year through December 31. We have expended 74% of the budget, a higher expenditure of 50% through the fiscal year. That's because we have expended almost \$25,000, and 80% of that was for Talent Innovation Summit expenses. And that's by far the most significant expense that hits the budget. So as time goes on, the expenditure rate percentage will come down. Matt does not foresee CSCR not being under budget by year-end. Matt asked if anyone had questions? No one posed questions.

IV. Revenue & Expense Statement 20-21 – Information Item II

Matt continued to discuss Information Item II, the current year federal funds revenue and expense statement, which is through December 31st midway through the fiscal year, starting with direct program costs. CSCR is at 35% midway through the year. That's very low and mainly because of a couple of things, one being the COVID-19 pandemic. Career seeker's tuition fees are low at only 8%. The primary services contract - work experience line item is only 26%, and then the very last line item for direct program costs, the WakullaCares program, is at 3%. Due to the pandemic, there was a much lower volume of participants, resulting in fewer students enrolling in training and work experience. And then for the WakullaCares grant, which was for only three months. Therefore, spending \$280,000 in a period of three months was near impossible. And that's why the total direct costs are at a low rate of 35%. The allocated costs and expenses section is at 46%. At this time, there no line items that are trending to be overspent. Once again, due to the pandemic, four-line items would typically be much higher than where they're now. And that's conferences with our staff development, supplies, travel, all those line items are super low. So in total, allocated costs and expenses at 46% and for direct program costs, and allocated costs at 39%. Matt asked if there were questions?

Chair Self asked, is the line item is at 97% for virtual operations for expenses associated with the COVID-19, and is there a need to add more funding?

Matt stated yes, virtual operations is a new line item budgeted at \$60,000. It's for virtual hiring fairs and the software and programs for career seekers to help them find employment virtually.

Chair Self thanked Matt for his answer.

V. Action Item II: Budget 20-21 (Unrestricted)

Matt asked everyone to go to page 22, the unrestricted non-federal funds budget for the current fiscal year. There is one change in the total program funds available. The \$3,520 is from the Talent Innovation Summit sponsorships received at the beginning of the year. CSCR budgeted the expected expenses for the Talent Integration Summit. However, they did not budget for the revenue but recognized it as received. That brings the total program funds available up to \$228,000. If CSCR stays within budget, their surplus or carryover would be a little over \$195,000. Matt asked if anyone had questions.

Motion: Chair Self entertained a motion to approve the Action Item II the Budget 20-21 (Unrestricted). Scott Watson made the motion, and Tawana Gilbert seconded. All in favor.
Action Item I approved unanimously.

VI. Action Item III: Budget 20-21

Matt directed the Committee to the proposed revenue column, the second line from the bottom, and you'll see total program funds available is up by \$261,146. Welfare Transition is up a little over \$73,000, and the Veterans grant has increased to \$27,000, and Tri-State Workforce Alliance, the new grant received was \$160,00. Tri-State Workforce Alliance is the new name of the previous Florida Georgia Workforce Alliance consisting of three states. However, a new name has been proposed, The Workforce Alliance. Of the \$261,000 in additional revenue, CSCR is proposing a total budget increase of \$96,000, adding \$164,000 to the surplus. Of the \$160,000 Tri-State Workforce Alliance allocation, \$52,500 has been budgeted to direct program costs for contractors.

In allocated costs and expenses, there are several changes. Also, in systems and telephones, \$66,000 is part of the approved last quarter's copiers. Therefore, after the purchase, there is no longer a need for a lease. There will be transfers between different budget line items due to the systems charges related to the building move and other related items. CSCR was mandated to purchase cell phones for their other DEO staff that are co-located in our building. And CSCR will be moving money from the line items with very low expenditures due to the pandemic, such as conferences and seminars. They are allocating them out to needed line items, such as repairs and maintenance, and that line item will cover the Admin office relocation. There is a large moving expense invoice and other items that will have to be done to the Admin offices for IT and electrical drops and other items. Also, in rentals, it is down \$15,000. They're reducing that line item because they are no longer leasing copiers and the overall proposed increase to allocated costs and expenses is up by \$44,000. There's a new total surplus which is almost at a million dollars at \$962,000. Matt asked if any had questions.

Motion: Chair Nina entertained a motion to approve Action Item III the Budget 20-21. Scott made the motion, and Tawana seconded, and the motion carries.
Action Item III was approved unanimously.

Action Item IV – Wakulla Career Center Lease

Matt presented the Wakulla Career Center Lease. Currently, there's a five-year lease that's set to expire in June of 2022. We got about 15 months remaining. Matt stated he had many conversations with the building owner, who wants to extend the lease. Matt reminded the Committee that in 2017, we did significant renovations that cost about \$225,000 to \$250,000. Today's lease for approval is for a four-year extension beginning in July 2022 at the same rate currently being paid. That rate per square foot comes out to be \$8.75. The lease is not a 100% full-service lease. CSCR pays the space's utilities and the pest control, but at a very low rate. An RFP is not required because a four-year extension comes in about \$140,000 plus for the four-year term. There's no need for an RFP procurement. Matt will check all available properties in Wakulla county that meet CSCR's criteria to ensure that the proposed lease has the lowest overall cost. With the Committee's approval CSCR will accept the lease terms for another four-year. Matt asked if anyone had questions.

VII. Action Item V – RFP 2020-03 – Information Technology Services

Matt stated that the RFP for the CSCR information technology services (IT) was publicly noticed and forwarded to several IT companies. A few companies responded with questions but never submitted a proposal. A proposal was received from CSCR's current IT provider, Inspired Technologies of North Florida, and met all the criteria. A cost analysis was performed. Inspired Technologies of North Florida proposal is for a term of four years at a monthly service rate of \$9,950. This cost also includes telephone services for the Admin offices and all three Career Centers. Therefore, it definitely makes sense to have a contracted service provider for IT as CSCR would need at least 2 or 3 staff people to fulfill our IT needs in our region, with the salaries and benefits of 2-3 people that could easily exceed what is paid to a company with the expertise to provide these services.

CSCR has a contracted service provider for over fifteen years. It does not make financial sense to have a staff person to serve in this role. The proposed contract for information technology services is around \$120,000 a year. So it definitely makes sense to have a contracted service provider for IT as CSCR would need at least 2 or 3 people, and benefits could easily exceed what is paid to a company that has the expertise to provide these services. Matt asked if anyone had questions.

Scott stated that Inspired Technologies of North Florida provides services for the Admin offices, but do they also provide services for the Centers in Gadsden, Leon, and Wakulla?

Matt stated that they provide IT and landline telephone services to all CSCR Centers and Admin offices.

Motion: Chair Self entertained a motion to approve Action Item IV RFP 2020-03 – Information Technology Services. Scott made the motion to approve the proposed 2020-21 program year budget, and Josh seconded. All in favor.

VIII. Adjourn

Chair Self thanked everyone for attending today and adjourned the meeting at 9:36am

Next Meeting:
TBD