

CareerSource Escarosa

BOARD OF DIRECTORS MEETING DECEMBER 15, 2016 MINUTES

Members Present: Steve Rhodes (Vice-Chairperson), Gretchen Clarke (Secretary), Kathaleen Cole, Dana Mullins, Tina Stewart, Robert Gravely, Bill Dagnall, Russell Branch, Mark Lewellyn, Michelle Taylor, and Katrina Simpkins

Members Participating via Teleconference: Larry Strain (Chairperson) and Gracie Parker

Ex-Officio Members Present/Participating: Sheila Fitzgerald (teleconference) and Tonya Gant

Members Not Participating: Brenda Moorer (Treasurer), Jamie Bristow and Jade Kelly

Others Present: Nicole Giscason – University of West Florida, Susie Lewis – Santa Rosa County School District/WIOA Youth Program, Phyllis Curl – Children’s Home Society/WIOA Youth Program, Bob Childers – Escambia County School District/WIOA Youth Program, Belinda Todd, Sheila Dunford, Sheila Savage, Morgan Cole, Kathy Karshna, Mark Dejoie, Mattie Davis, Cliff Krut, and Janay Sims – CareerSource Escarosa, Eric Flora – DEO/CareerSource Escarosa,

Vice-Chairman Steve Rhodes chaired the meeting. The meeting was called to order at 11:30 a.m. at the Pensacola Socialdesk.

Mr. Rhodes called the roll to confirm those present and/or participating via teleconference.

CALL FOR PUBLIC COMMENT

Mr. Rhodes requested to withhold comments until the applicable agenda item is presented.

Mr. Krut expressed thanks for use of the facility (Socialdesk).

APPROVAL OF MINUTES – SEPTEMBER 15, 2016

The Board reviewed the July 21, 2016 CareerSource Escarosa Board of Directors minutes.

Action Taken: Motion by Bill Dagnall, and seconded by Tina Stewart to approve the September 15, 2016 Board of Directors meeting minutes. Motion carried.

READING OF PUBLIC DISCLOSURES

There were no public disclosures.

ITEMS FOR CONSIDERATION

FINANCIAL STATEMENTS, OCTOBER 31, 2016

The financial statements for October 31, 2016 were made available to the Board. The following was noted:

- DEO allocated Escarosa \$23,535 of additional funding in the Welfare Transition Program.
- Due to a budget rescission passed by Congress, there was a small reduction in the WIOA Adult and WIOA Dislocated Worker funding.
- The total combined amount of funding lost in the WIOA Adult and Dislocated Worker programs is \$7,716.
- Requirement rates cannot be determined at this time due to it being early in the program year.

Action Taken: Motion by Dana Mullins, and seconded by Tina Stewart that the Board of Directors approve the Financial Statements and related summaries for the period ending October 31, 2016. Motion carried.

FY 2016-2017 AMENDED BUDGET

This item was tabled due to further adjustment from the federal government.

EQUIPMENT WRITE-OFF

The Property Asset Disposal List was made available to the Board.

Escarosa purchases new computer/equipment for staff or client use on a continuous basis. There is a need for disposal of old equipment. Some computers are retained that are not broken or obsolete to be used for parts and for new or temporary programs. Working equipment will be given to non-profit organizations, with preference given to the vocational technical school, George Stone/-Locklin Technical School.

Action Taken: Motion by Gretchen Clarke, and seconded by Larry Strain to approve writing off the old equipment as presented on the Property Asset Disposal List. Motion carried.

WIOA COMPLIANCE – WORKFORCE PLAN ADDENDUM

On August 19, 2016, the United States Department of Labor (USDOL) and the United States Department of Education (USDOE) published the final Workforce Innovation and Opportunity Act (WIOA) rules. The rules provided additional guidance and clarification for several topics required for inclusion in the local plans. As a result, the Department of Economic Opportunity (DEO) has asked all Local Workforce Development Boards (LWDBs) to prepare an addendum to their local plan, in accordance with CareerSource Florida Local Plan Instructions, that addresses the following items:

- Description of the Appropriate “Firewalls” to protect against conflict of interest.
- Description of the cooperative agreement (MOU) between the Board and Vocational Rehabilitation, which has to be approved by the Boards of County Commissioners.
- Description of the required WIOA partners included in the One-Stop system.

- How the principles of Universal Design are used.
- Procurement of a One-Stop Operator.

The Boards of County Commissioners have approved CareerSource Escarosa 4-Year Local Workforce Development Area Plan. The addendum has to be approved by the Boards of County Commissioners also and submitted to the state to remain compliant with the Workforce Innovation Opportunity Act (WIOA).

Action Taken: Motion by Tina Stewart, and seconded by Michelle Taylor to approve the WIOA addendum to CareerSource Escarosa 4-Year Plan. Motion carried.

BUSINESS SERVICES TEAM (BST) COORDINATOR POSITION

The job description for the Business Services Team Coordinator was made available to the Board.

The operating tempo in business services continues to accelerate at CareerSource Escarosa. Approval of a coordinator level position will provide leadership for those activities involving our employer customers, hiring events, job orders, etc. As well as provide oversight to emerging initiatives such as the Professional Placement Network and Sector Strategies.

Inquiry was made as to where this position falls on the CareerSource Escarosa's organizational chart. Staff outlined where the position will fit on the organizational chart.

Action Taken: Motion by Tina Stewart, and seconded by Bill Dagnall to approve the position of Business Services Team (BST) Coordinator. Motion carried.

PERSONNEL POLICY CHANGE – AUTHORITY FOR UNILATERAL STAFF ASSIGNMENTS

The current policy, **S. REALIGNMENT OF POSITIONS AND JOB DUTIES / CREATION OF NEW POSITIONS**, does not allow for repurposing of internal staff.

The below revised policy will allow for the reassigning of job duties/sending to other positions. Due to this being temporary in nature, no change will be made to job titles.

NEW POLICY:

S. REALIGNMENT OF POSITIONS AND JOB DUTIES

Due to the nature of our business, new directives under existing programs are implemented by State and/or Federal legislators. In addition, local initiatives are often implemented in response to changing economic conditions. Therefore, program initiatives, policies, and guidelines may be changed or be realigned to incorporate these new initiatives.

When this occurs, the Executive Director will have flexibility to make unilateral staffing shifts which may be temporary or permanent. These staffing reassignments will occur within the employee's current salary range and will only be made when the knowledge, skill and abilities of the employee align with those of the new assignment.

Action Taken: Motion by Michelle Taylor and seconded by Dana Mullins to approve changes to current Personnel Policy, S. REALIGNMENT OF POSITIONS AND JOB DUTIES/ CREATION OF NEW POSITION, as outlined above. Motion carried.

INDIRECT COST RATE

Janet Summers, CareerSource Escarosa Chief Financial Officer, gave an overview of the indirect cost rate.

The Uniform Guidance passed in December 2014 requires that subrecipients of federal funds must negotiate indirect cost rates with the pass-through entities if the subrecipient does not already have a negotiated rate with the federal government.

Indirect rates change the dynamics of the allocation of administrative costs to programs. In the past, we have allocated administrative costs evenly across all programs based on total expenditures. Using an indirect rate method, programs that are contracted to service providers are receiving a much lower charge than the programs where services are delivered by Escarosa.

This requires a reduction in the administrative cost pool in order to keep all other grant's administrative rate at/or under the 10% requirement. Administrative costs are now at a level that any further reduction would reduce our ability to administer the program. It is uncertain that the 10% administrative rate requirement will be met this program year, as costs are being put on other programs.

The major implication of the change to an indirect rate is that in future years Escarosa will need to directly deliver services in the WIOA Youth program in order to recoup adequate administrative costs.

Steve Rhodes inquired about the consequences for not meeting requirement rates. Mrs. Summers noted the overage of the 10% could affect the following program year in terms of rate requirement, training can be offered by the state, fiscal functions can be taken away, and cash advances could be affected.

Michelle Taylor requested a clearer explanation of the impact of the change, noting there is a way to show what the current youth grant totals are and what the impact is in terms of going from previous indirect cost rate to the current Uniform Guidance methods. If you put the equation on the board we can clearly understand.

Mrs. Summer gave a response. We have a requirement to keep our administrative rates below 10% for each grant. By increasing administration in other grants to support WIOA youth, we risk exceeding 10% administration in other programs. Bringing these programs "in house" will allow for continued services to WIOA youth participants and allow us to maintain administrative control.

Inquiries were made regarding support of the Board approved Business Service Team Coordinator position as it relates to the above discussion. It was noted the position will be advertised internally. There will be no replacement for the position vacated as a result of filling the BST position. This is not an added position and it is included in the amended budget.

IN-HOUSE YOUTH PROGRAM

An in-house youth program has been an on-going discussion with the Board. CareerSource Escarosa currently has contracts with three (3) youth service providers – Children's Home Society, Santa Rosa County School District, and Escambia County School District.

Current funding allocation for WIOA youth is \$1.6 million. That which is contracted out to service providers is \$1.1 million. Under the Uniformed Guidance we are required to use a negotiated indirect rate to recoup our administrative cost. However, under the rules of the UG we can only charge the indirect rate on the first \$25,000 of every contract. Therefore, only about 2 percent of the allocation can be used for administrative costs, which either increase the admin portion of other grants, or forces us to reduce overall administrative costs by approximately \$90,000. We have a requirement to keep our administrative rates below 10% for each grant. By increasing admin in other grants to support WIOA youth, we risk exceeding the 10% admin in other programs. Bringing these programs “in house” will allow for continued services to WIOA youth participants and allow us to maintain administrative control.

Mr. Rhodes called for public comments. Public comments were presented Susie Lewis – Santa Rosa County School District, Bob Childers – Escambia County School District, and Phyllis Curl – Children’s Home Society. There was concern from the service providers of personalized service to the students, and services to far out areas. Susie Lewis requested the Board members spend one to two hours with her to observe the sites that are being served and the activities.

Cliff Krut noted that staff is in the exploratory stages of how this transition could occur and how we can appropriately staff and deliver youth services. If the indirect cost rate doesn’t change, we are being strangled – it’s affecting the center’s overall budget.

This is a situation that was discussed with the Board last year and I’ve been informed by our CFO that this problem isn’t going away.


In the exploratory stage we will learn what has been done locally – beyond our normal monitoring and best practices visits – many regions do these services in-house. This will probably not be a quick decision.

EXECUTIVE DIRECTOR’S REPORT

Cliff Krut thanked the Board for their support, as February will complete his first year as Executive Director. He gave an overview of his vision for CareerSource Escarosa; economic development initiatives, and clearing up misconceptions about CareerSource Escarosa and getting the word out about CareerSource Escarosa.

Mr. Krut also recognized Ms. Sheila Savage, who is a Career Advisor for the Ex-Offender Program. Ms. Savage was awarded the “2016 Workforce Professional Champion” award at the 2016 Workforce Professional Development Summit.

There being no further business, the meeting adjourned.



Gretchen Clarke, Secretary
CareerSource Escarosa