

**Executive Committee Meeting
Conference Call
Tuesday, June 11, 2013
9:00 a.m.**

MINUTES

MEMBERS PRESENT: Kevin Shaughnessy, Greg Beliveau, Wendy Brandon, Eric Jackson, Leland Madsen, Thomas Katheder, Eric Ushkowitz and Rick Walsh

MEMBERS ABSENT: Robert Brown, Debbie Clements, William Merck and Dr. Sanford Shugart

STAFF PRESENT: Pam Nabors, Kevin Neal, Leo Alvarez, Nilda Blanco and Kaz Kasal

WELCOME & CHAIR'S REMARKS

Call To Order

Mr. Shaughnessy called the meeting to order at 9:00am and welcomed those in attendance.

Roll Call/Establishment of Quorum

Ms. Kasal commenced with roll call and reported that there was a quorum present.

Public Comment

None offered.

APPROVAL OF MINUTES FROM PREVIOUS MEETING (5/16/13)

After review of minutes, Mr. Jackson made a motion to approve the Minutes from the 5/16/13 Executive Committee Meeting. Mr. Ushkowitz seconded, motion passed.

INFORMATION/DISCUSSION ITEMS:

1. All Committees – Updates

Audit Committee

Mr. Ushkowitz stated that Ms. Kasal emailed out the proposed budget for PY 13-14 to the WCF Board, Audit Committee and Consortium on 6/6/13. Mr. Ushkowitz indicated he reviewed proposed budget and did not see anything that stood out. He asked if there should be a conference call meeting with the Audit Committee. Ms. Nabors replied that Mr. Alvarez can reach out to each member on the Audit Committee, including the comptrollers from the 5 counties who are on the committee, and ask if they have any concerns or questions.

Ms. Nabors indicated that she received a letter from DEO which stated that they have reviewed and accepted the Audit, which is part of the requirements from the Governor's September 2011 letter. She will include a copy of this letter in the board packet.

Finance Committee

Mr. Alvarez stated that the Finance Committee met on 6/3/13 and review/discussed the following

three items:

1. Mr. Hall from Taylor, Lombardi, Hall & Wydra provided an update of their firm's technical assistance over the last quarter. This assistance included: process overview of key fiscal areas, gain an understanding of policies and procedures in place, identify gaps/deficiencies, streamline processes and identify areas to strengthen internal controls. Mr. Hall pointed out that he was very pleased with management's focus on continued improvement.
2. Mr. Alvarez stated that the DEO monitors were on-site the week of 5/20/13 to perform their annual financial monitoring. The monitoring team consisted of 4 DEO internal staff and Wes Underwood, Bureau Chief of Financial Monitoring and Accountability. The exit interview occurred on 5/24/13 and based on their results there were no findings. WCF received a draft report; receipt of final report is expected before the 6/20/13 joint meeting of the WCF Board and Consortium.
3. The proposed PY 13-14 budget was presented to the Finance Committee: the proposed total is \$39.8M, with \$37.8 allocated to program support and \$1.9M allocated to administration. The administration portion equates to 4.9% of the total budget and the total allowance/cap for administration is 10%, so this below half of that. Mr. Alvarez stated that the Finance Committee approved the proposed budget to be forwarded to Consortium and Board for review and approval. As mentioned earlier, the proposed budget was emailed on 6/6/13 to Board, Consortium and Audit Committee. Mr. Shaughnessy suggested it would be helpful at the 6/20/13 meeting for Mr. Merck or Mr. Alvarez to highlight the results and include the onsite examination and feedback from Mr. Dalton's firm, explaining why they were brought in; and that they helped to ensure effective processes and that there is total transparency in the accounting of funds. Mr. Shaughnessy also emphasized that DEO approved the audit and WCF is in good condition; this is important to highlight.

Legal Committee

Mr. Alvarez indicated that DEO approved payment of \$47,000 to WCF's former counsel, Mr. Sell. This is 1/3 of total amount of the legal fees billed to WCF. DEO has determined that the bulk of the fees were not allowable to be paid with federal funds. Mr. Alvarez discussed this issue with Mr. Sell in order to finalize the payment; however Mr. Sell indicated he would prefer to review the invoices and provide justification for fees beyond \$47,000. Mr. Katheder indicated that both he and Mr. Alvarez agreed to allow Mr. Sell a reasonable deadline of 6/30/13 to provide this justification. Staff will continue to work with Mr. Sell and try to get the resolved as quickly as possible.

Program Committee

Mr. Neal stated that the Program Committee met on 5/30/13. The committee approved the Individual Training Account Policy and moved for board to approve three training providers to be added to the region's eligible training provider list. The Program Committee also reviewed the program priorities for upcoming program year, which the committee approved to be moved forward to Finance Committee's preparations of the proposed 13-14 Budget. These program priorities consist of an expansion of training options. In the past, there were only two options: longer term training/ITAs and paid work experience. For the new program year, other types of training have been added.

Youth Committee

Ms. Nabors stated that the 5 responses were received from the WIA Year-Round Youth Services RFP. The evaluation team reviewed and discussed the 5 responders and then narrowed down to the top 3

scorers. These top three scorers came back to provide a presentation and answer additional questions. The evaluation team concurred to recommend to award Henkels & McCoy (H&M) a contract for \$1.5M. However, there was up to \$2.5M to obligate in the RFP. Ms. Clements is in favor of including a recommendation to 2nd top scorer or 2nd and 3rd scorers for smaller contracts. Mr. Shaughnessy asked what the original RFP indicated on scope of services and number of youth to be served. Ms. Nabors replied the RFP indicated 650 youth and Henkels & McCoy's contract would only serve 425 Youth at \$3,500 per participant. There were other bids that included all 650; however these bids were not encompassing all the requirements. Also, H&M has better programmatic experience. Ms. Nabors suggested they go back to H&M and ask them to provide the price for remaining 225 Youth, to total 650. Mr. Shaughnessy concurred – if H&M declines, then award the remaining \$1M to 2nd top scorer. Mr. Shaughnessy stated the full allotted amount should be obligated, so many youth as possible can be served. Ms. Nabors indicated that they will provide an update on negotiations and provide a recommendation in the 6/20/13 meeting packet. Mr. Shaughnessy stated going forward there needs to be a better process in place to prevent this from occurring again – we should not have to go back and re-negotiate. Ms. Nabors concurred - WCF will have a technical assistance process for the committee ahead of time. There will be another procurement to target community-based organizations and include an educational process to provide assistance to smaller organizations in working with WCF.

Governance Committee

Ms. Nabors indicated that the Board Roster, which has been completed and in compliance with state requirements, will be included in the 6/20/13 meeting packet. One of the revisions included moving Mr. Wylie from private seat in Seminole to private seat in Osceola. Mr. Wylie's company has regional representation.

Executive Committee

Mr. Shaughnessy stated that budget cuts in TANF will impact a small number of staff. Mr. Shaughnessy indicated that WCF should develop message points. It will be important to be careful when explaining downsizing and send the right message – i.e. reduction in funds due to better economy. Ms. Nabors indicated that there will be 9 or 10 affected staff. Mr. Shaughnessy stated a bulleted memo/briefing should be prepared to Executive Committee which reviews what has been done internally and what the evaluation process was for determining who is affected. Everything possible must be done to fill and/or find jobs for affected staff – Governance and Legal committee should review memo and provide feedback. Ms. Nabors concurred and once budget gets approved by Board and Consortium she will proceed with this.

Mr. Shaughnessy stated that DEO's Executive Director sent a letter to the Governor stating that WCF has fully complied with all requirements in the Governor's September 2011 letter and recommends that the high-risk designation be lifted. Ms. Nabors indicated she spoke with the Inspector General's office and they ensured her that all of the elements from the Governor's letter were addressed. Ms. Nabors stated she will follow up with the Governor's office and DEO to check status. The goal is to get high risk lifted prior to the 6/20/13 meeting. Once this happens, a joint press release will occur from Governor's Office/DEO/WCF. Mr. Shaughnessy asked Mr. Ushkowitz if Mayor Jacobs could reach out to the Governor. Mr. Ushkowitz affirmed – he will contact the Mayor's office to get a call to the Governor before the end of this week. Mr. Shaughnessy asked Ms. Nabors to be prepared for her meeting with Mayor Jacobs next week – several questions will be asked. Mr. Walsh suggested to have preparations in order, in case Governor comes down. Mr. Ushkowitz will discuss with Mayor Jacobs.

2. WCF Facility Lease Updates

Mr. Alvarez stated that the Brio location was selected for the new Seminole office. This is 2 miles from current location and has 10,000 sq. feet. Currently, the build-out costs are being reviewed/discussed with the help of Mr. Katheder. Ms. Nabors indicated that a recommendation for board's review/approval will be in the 6/20/13 meeting packet.

3. Procurements

- Multifunctional Device (Copiers) – Status Update

Ms. Nabors stated that, per last meeting, Executive Committee directed WCF to place an RFP out for bids on this. 8 proposals were received from State-approved vendors. Staff are reviewing bids today and will put together a recommendation, which will be included in the 6/20/13 meeting packet. Mr. Shaughnessy asked that this be presented out to board by senior staff.

4. DEO Matters

Ms. Nabors stated, as previously discussed in today's meeting, she is very optimistic regarding lifting the high risk designation. She thanked the Executive Committee for all of their support and the support of her team; they have done a tremendous job. The focus for next year will be to improve performance across all programs, identify greater efficiencies with operations, continue connecting with the community and positively impact businesses and job seekers. Mr. Shaughnessy thanked Ms. Nabors and her team for the tremendous difference they have made on how WCF is viewed, how WCF functions, and the increased transparency.

Mr. Shaughnessy noted that there was an article in the Orlando Business Journal that indicated that Orlando lags the nation in STEM jobs. WCF needs to take a more aggressive approach on this. Ms. Nabors replied that staff reviewed this. WCF currently has a couple of targeted grants to be launched next program year: one with UCF for individuals with STEM experience to partake in internships, and the other with Valencia College on advanced manufacturing. Other initiatives will also be added. Ms. Nabors added that this also can be a component to discuss at the Board Retreat

CHAIR'S CLOSING REMARKS

Mr. Shaughnessy thanked all those who attended today's meeting.

There being no other business, the meeting was adjourned at 10:00 a.m.

Respectfully submitted,

Kaz Kasal
Sr. Administrative Assistant