

WORKFORCE CONNECTIONS

BOARD MEETING MINUTES

October 7, 2013
10:00 a.m.

*Workforce Connections
Bronze Conference Room
6330 W. Charleston Blvd.
Las Vegas, NV 89146*

Members Present

Bart Patterson	Bill Regenhardt (phone)	Commissioner Butch Borasky (phone)
Councilman Bob Beers	Councilwoman Anita Wood	Commissioner Lawrence Weekly (phone)
Councilwoman Gerri Schroder	Charles Perry	Dan Gouker
Dr. David Lee	Lynda Parven	Maggie Arias-Petrel
Mark Edgel	Matt Cecil	Mujahid Ramadan (phone)
Michelle Bize	Tommy Rowe	Valerie Murzl (phone)
Vida Chan Lin (phone)	Willie J. Fields	

Members Absent

Commissioner Adam Katschke	Commissioner Ralph Keyes	Councilwoman Peggy Leavitt
Dan Rose	Hannah Brown	Sonja Holloway
William Bruninga		

Staff Present

Ardell Galbreth	Suzanne Potter	Heather DeSart
Ricardo Villalobos	Jim Kostecki	Tom Dang
LeVerne Kelley	Clentine January	Jeannie Kuennen
Shawonda Nance	Faith Canella	Debra Collins

Others Present

Scott Marquis, Legal Counsel	Dr. Tiffany Tyler, Nevada Partners, Inc.
Debbie Tarantino, LCCCF	Denise Gee, HELP of Southern Nevada
Dr. Rene Cantu, Jr., LCCCF	Jon Guy, LCCCF
Nield Montgomery, The Learning Center	Eloiza Martinez, LCCCF
Tracey Torrence, SNRHA	Sharon Morales, LCCCF
Janice M. Rael, Nevada Partners, Inc.	Jeramey Pickett, Nevada Partners, Inc.
Trnee Stephenson	

(It should be noted that not all attendees may be listed above)

1. Call to order, confirmation of posting and roll call

The meeting was called to order by Councilwoman Gerri Schroder at 10:10 a.m. Staff confirmed the meeting had been properly noticed and posted in accordance with the Nevada Open Meeting Law. Roll call was taken and a quorum was present.

2. DISCUSSION AND POSSIBLE ACTION: Approve the agenda with inclusions of any emergency items and deletion of any items

A motion was made to approve the agenda as presented by Willie J. Fields and seconded by Charles Perry. Motion carried.

3. FIRST PUBLIC COMMENT SESSION:

Sharon Morales, Assistant Director – Latin Chamber of Commerce Community Foundation (LCCCF): Ms. Morales introduced youth participant, Delayne Johnson, who shared about his positive experience with the WIA Out-of-School Youth program, whereby he completed his GED and training as a line cook.

4. DISCUSSION AND POSSIBLE ACTION: Approve the Board Meeting Minutes of October 1, 2013

The Board Meeting Minutes of October 1, 2013 are presented on page 5 – 16 of the agenda packet.

A motion was made to approve the Board Meeting Minutes of October 1, 2013 with a correction to reflect Bill Regenhardt as present on the phone by Tommy Rowe and seconded by Charles Perry. Motion carried.

5. DISCUSSION AND POSSIBLE ACTION: Approve repayment plan for the Latin Chamber of Commerce Community Foundation in the amount of \$52,861.44 for costs disallowed under the Adult and Dislocated Worker grant for the grant period ending June 30, 2013 over a time period of at least six (6) months

Ardell Galbreth, Executive Director provided background and noted that LCCCF is in agreement with the terms of the debt repayment plan (below). Based on this Board's recommendation, the Local Elected Officials will take action on this item at their next meeting; discussion followed. Dr. Rene Cantu, Executive Director – LCCCF and Eloiza Martinez, Co-President – LCCCF were available for comment.

<u>Payment Date</u>	<u>Amount Due</u>
October 31, 2013	\$8,800.00
November 30, 2013	\$8,800.00
December 31, 2013	\$8,800.00
January 31, 2014	\$8,800.00
February 28, 2014	\$8,800.00
<u>March 31, 2014</u>	<u>\$8,861.44</u>
	\$52,861.44

Ardell noted that if LCCCF defaults on the repayment plan without proper justification, based on direction received from this Board and the Local Elected Officials, sanctions can be imposed up to and including canceling LCCCF's contract. LCCCF will be removed from high risk status when their debt is paid in full and they have no other fiscal issues. Ardell referred to Workforce Connections' Policy 2.12 Audit Process/Debt Resolution (attached). Historically, Workforce Connections has not awarded any new funds to any funded partner while on high risk status; however, funded partners have been allowed to continue serving existing youth. Policy 2.12 does not include specific criteria regarding repayment terms.

Dan Gouker recommended removing the term "at least" requiring LCCCF to pay off its debt in six months or less, and suggested that the six month timeframe be the standard policy regarding debt resolution to ensure all funded partners receive the same fair treatment. Councilman Bob Beers concurred. Discussion ensued.

Ardell briefly discussed Workforce Connections' responsibility and the LEO's fiduciary responsibility related to disallowed costs, and stated that Workforce Connections will pay the debt to LCCCF's vendor and receive reimbursement from LCCCF, as per the repayment plan. Discussion ensued.

Dr. Rene Cantu, Executive Director, LCCCF stated that they initially assumed they would pay the debt directly to the vendor; however, LCCCF is allowing Workforce Connections to provide direction on the course it wants to take. LCCCF will fully cooperate to make this right.

Heather DeSart, Deputy Director explained that LCCCF's debt is not to a vendor, rather to an employer that provided OJT activities to WIA clients, and it is important to maintain good relationships with all of our employer partners so that they may employ our clients in the future.

Dr. Cantu briefly pointed out factors that led to LCCCF's current issues, including being a relatively new provider, issues with former fiscal staff, internal communication barriers and carrying over contract funds helped mask the issue. LCCCF has hired a forensic accountant, new fiscal staff and safeguards have been put in place. Dr. Cantu stated that no WIA funds will be expended on anything other than WIA activities.

A motion was made to approve repayment plan for the Latin Chamber of Commerce Community Foundation in the amount of \$52,861.44 for costs disallowed under the Adult and Dislocated Worker Program grant for the grant period ending June 30, 2013 over a time period of six (6) months by Willie J. Fields and seconded by Dan Gouker. Maggie Arias-Petrel abstained. Motion carried.

6. DISCUSSION AND POSSIBLE ACTION: Approve one of the following options for Latin Chamber of Commerce Community Foundation:

- a. No funding award for PY2013 Out-of-School Youth contract due to "High Risk" designation; or
- b. Fund an award amount not to exceed \$600,000 for PY2013 Out-of-School Youth contract in conjunction with ongoing compliance and approved disallowed cost repayment plan, and any additional terms specifically required by the Board

Ricardo Villalobos, Youth Department Director presented the pros and cons of both options as provided on page 20 of the agenda packet. Discussion followed.

Councilwoman Anita Wood stated her concerns about precedence. Ardell stated that to his knowledge Workforce Connections has never awarded funds to an agency that was on high risk; however, there have been agencies on high risk that have been allowed to continue to provide services to their existing clients under their current contract, but not allowed to enroll new clients. Awarding funds to an agency on high risk is not disallowed, but it is not our standard practice. Ardell confirmed that this agenda item has not been vetted by the Youth Council or Budget and Finance Committee, but it will have to be vetted by the LEOs at their next meeting.

Ricardo stated that LCCCF's Out-of-School Youth contract ended on September 30, 2013; therefore, they cannot serve any existing and/or new clients.

Mr. Gouker recommended that the Board approve a six month contract in the amount of \$300,000 to serve 215 out-of-school youth. After the six months, based on LCCCF successfully coming off high risk, the Board can make a recommendation to award the balance of the funds and extend the contract through September 30, 2014.

Matt Cecil stated his concern about precedential value that is created by awarding a new contract to a partner who has misappropriated funds and as a result has been placed on high risk, as it can open up claims for discrimination or mistreatment from other entities, and also it creates new policy for the Board to award new contracts to entities that are on high risk. Councilman Beers replied that this Board sets policies and variances that are situation specific, which is okay as long as there is a record with a legitimate reason supporting the disparate treatment (such as the provider self-reporting the shortfall). Discussion ensued whether or not staff would have discovered the shortfall if the provider had not self-reported.

Mark Edgel commented that it is better to abide by the policy not to award funds to high risk entities.

A motion was made to approve agenda item 6.b to fund Latin Chamber of Commerce Community Foundation an award amount not to exceed \$300,000 for a six (6) month PY2013 Out-of-School Youth contract to serve 215 youth in conjunction with ongoing compliance and approved disallowed cost repayment plan by Bart Patterson and seconded by Willie J. Fields. Vote: 13 yays; 6 nays. Maggie Arias-Petrel abstained. Motion carried.

7. SECOND PUBLIC COMMENT SESSION:

None

8. INFORMATION: Board Member Comments

None

9. ACTION: Adjournment

The meeting adjourned at 11:40 a.m.