

*workforce***CONNECTIONS**

**BOARD MEETING  
MINUTES**

**July 24, 2012  
9:00 a.m.**

**Culinary Academy of Las Vegas  
710 W. Lake Mead Blvd.  
Parlors C&D  
North Las Vegas, NV 89030**

**Members Present**

Charles Perry	Commissioner Bill Kirby	Commissioner Lawrence Weekly
Commissioner Tommy Rowe	Bill Regenhardt	Willie J. Fields
Councilwoman Anita Wood	Councilwoman Gerri Schroder	Dan Gouker
Dan Rose (Phone)	Dennis Perea	Dr. David Lee
Hannah Brown	Maggie Arias-Petrel (Phone)	Michelle Bize
Mujahid Ramadan	Vida Chan Lin	Sonja Holloway
Valerie Murzl	Mark Edgel	

**Members Absent**

Alex Garza	Commissioner Butch Borasky	Councilman Bob Coffin
Councilwoman Peggy Leavitt	Pat Maxwell	William Bruninga

**Staff Present**

Ardell Galbreth	Suzanne Potter	Jim Kostecki
Carol Turner	Heather DeSart	Rick Villalobos
Sylvia Spencer	Kenadie Cobbin-Richardson	Deb Collins
Clentine January	Chris Shaw	Tom Dang
Kim Colagioia		

**Others Present**

Matt Cecil, Legal Counsel	Doug Geinzer, SNMIC
Lynda Parven, DETR	Grant Nielson, DETR
Vincent Miller, Goodwill	Keith Hosannah, DETR
Janice M. Rael, Nevada Partners, Inc.	Ron Hilke, DETR
Ann Lynch, SNMIC	Ron Fletcher, DETR
Elizabeth McDaniels, Goodwill	Nield Montgomery, The Learning Center
John Manalay, FIT	Earl McDowell, DETR
Dr. Tiffany Tyler, Nevada Partners, Inc.	LaTanya Runnells, Nevada Partners, Inc.
Thresea Kaufman, NHA Health Care 20/20	Tiffany Edwards, SNRHA
Rene Cantu, LCCCF	Doreen Guerra, SNRHA
Otto Merida, LCCCF	Tracey Torrence, SNRHA
Debra Mumford, SNRHA	Claudia Becerra, SNRHA
Bill Welch, Nevada Hospital Association	Marissa Brown, Nevada Hospital Association

(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 Chair Hannah Brown at 9:00 a.m. Staff confirmed the meeting had been properly 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 the inclusion of any emergency items and deletion of any items

*A motion was made to approve the Agenda as presented by Valerie Murzl and seconded by Charles Perry. Motion carried.*

3. FIRST PUBLIC COMMENT SESSION:

**Ann Lynch, President - Southern Nevada Medical Industry Coalition (SNMIC)** – Ms. Lynch said for the past nine months SNMIC has brought to the attention of the board, the LEO Consortium, and DETR the problems it's had with a Workforce Connections employee. Ms. Lynch stated that this employee has ruined the reputation of SNMIC and eliminated a great youth program that is still going, but not as vigorously or as broadly as it could be. Ms. Lynch said that SNMIC has had wonderful communication with current Workforce Connections staff members, who are very cordial and helpful, but non-productive and said SNMIC has the same problem with DETR staff. SNMIC served a notice to the LEO Consortium with a deadline date of June 3<sup>rd</sup> before legal action would be taken but SNMIC did not hear back from the LEOs or from the Workforce Connections Board. Ms. Lynch said it's as though everybody thinks that if they just ignore it, it'll go away.

Ms. Lynch stated that Board members have a very heavy responsibility of direction, correction, and making the best of a bad situation, unfortunately though, this has not occurred with the Workforce Connections' Board.

Ms. Lynch stated that SNMIC was not told how to appeal and because SNMIC is not a member of Workforce Connections or privy to NRS and internal regulations, they thought they had appealed and even though SNMIC appeared many times before the Board and LEO Consortium, no one ever said they should appeal. Finally about a month ago, SNMIC was told they can appeal, but found out they were 30 days too late.

Ms. Lynch stated that this all started because of a personality conflict between a former Workforce Connections employee and SNMIC's Executive Director - they just didn't get along. Ms. Lynch pleaded to the Board to take some formal action to correct this mistake. Workforce Connections staff did not follow policy and illegally issued a high risk. Ms. Lynch said that Workforce Connections staff gave her an ultimatum to do five things, none of which she could do in five days, and none of which she would have done because, Ms. Lynch stated, Workforce Connections does not have the right to direct her on who to hire or fire.

Ms. Lynch thanked the Board and hopes everyone realizes that great harm has been done to SNMIC and to the community that they have vowed to serve.

**Bill Welch, President & CEO - Nevada Hospital Association (NHA)** – Mr. Welch commented on the recent Channel 8 newscast regarding Healthcare 20/20, stating that NHA is not part of or is privy to the issues between Workforce Connections (WC) and

Southern Nevada Medical Industry Coalition (SNMIC). NHA's role is to facilitate and manage the Healthcare 20/20 program.

In January 2012, at the request of WC and with the support of SNMIC, the Healthcare 20/20 program was transitioned to NHA. NHA has an office in Las Vegas at 3960 Howard Hughes Parkway with two full-time staff, one part-time staff, Sue Ulrich, a contractor who supports and facilitates the Healthcare 20/20 program and Theresa Brown, the program supervisor. There is also staff assigned to financial management.

Mr. Welch reported that during January 1 - June 30, 2012, NHA managed a \$600,000 contract. During this period NHA served 71 participants, exceeding their goal of 45, including 50 OJTs at an average wage of \$30 per hour. NHA partnered with 2 hospice facilities, 1 rehab hospital, and 10 acute care hospitals.

Mr. Welch reported that due to the success of the program, NHA was awarded \$900,000 for a full fiscal year to serve an additional 97 participants. NHA has partnered with additional hospitals including 1 psychiatric hospital, 2 rehab hospitals, 4 long-term acute care hospitals, 3 critical access/rural hospitals, and 2 acute care hospitals. Mr. Welch said the Healthcare 20/20 program is growing and striving.

**Doug Geinzer, CEO - Southern Nevada Medical Industry Coalition (SNMIC)** – Mr. Geinzer stated that he was the visionary behind the Healthcare 20/20 program and now the program has no vision. Mr. Geinzer said he personally invested years of his life designing and developing the program and it hurts to watch it destroyed.

Mr. Geinzer stated that Workforce Connections forced the Healthcare 20/20 program upon Nevada Hospital Association to take training dollars that are supposed to be spent in the State of Nevada and send the dollars to Mexico to train nurses in an immersion program. Mr. Geinzer stated that the dollars are intended to stay in Nevada and should be used to place nurses locally in bi-lingual practices to create jobs here in Southern Nevada.

Mr. Geinzer asked the Board to do the right thing. Previously, SNMIC addressed the Board eight times and asked, begged, pleaded, and formally demanded legally, but was ignored.

Councilwoman Anita Wood asked legal counsel if there was any means for the Board or the LEOs to withdraw a high risk designation once it has been issued.

Matt Cecil responded that currently the issue is on appeal and therefore cannot comment on it. Mr. Cecil stated, the next step after an appeal is through the Department of Labor, but there is no CFR or statute that allows the Board or LEOs to vote on the matter.

Councilwoman Wood requested that the matter regarding dollars going to Mexico be placed on the next Board agenda. Staff concurred.

4. DISCUSSION and POSSIBLE ACTION: Approve the Board Meeting Minutes for the meeting on June 26, 2012

Charles Perry stated that there is no indication that staff follows up on matters brought up during public comment.

Commissioner Kirby requested that his comments regarding the one-stop center lease be added to the minutes from the last Board meeting, including (1) that the lease is a

significant amount of money (2) concurrent leases are running, which is costing the organization money (3) \$350,000 is mentioned in leasehold improvements (4) there is no commitment from DETR, who will be the beneficiaries of the lease if they take over the organization, and (5) there was no lease available to review at the meeting.

***A motion was made to approve the Board Meeting Minutes from the meeting on June 26, 2012 with the inclusion of Commissioner Kirby's comments by Commissioner Tommy Rowe and seconded by Commissioner Bill Kirby. Dan Gouker, Mark Edgel, and Charles Perry opposed. Motion carried.***

5. INFORMATION: Welcome New Board Member

At the meeting on July 10, 2012, the Local Elected Officials Consortium approved the application of Willie J. Fields to the Workforce Connections Board. Mr. Fields is a business owner.

6. OPERATIONS UPDATE

- a. INFORMATION: PY2011 WIA Formula Budget July 1, 2011 through June 30, 2012 and PY2011 Budget Narrative
- b. INFORMATION: PY2012 WIA Formula Budget July 1, 2012 through June 30, 2013 and PY2012 Budget Narrative

Jim Kostecki noted that both the PY2011 and PY2012 budgets have not changed since the last meeting and minor adjustments will be made at the next Budget Committee Meeting.

c. REVIEW, DISCUSS and ACCEPT:

- i. Budget vs. Actual Finance Report for the period July 1, 2011 through June 30, 2012 (Formula WIA)

Mr. Kostecki reported that a modification to increase the Bank/Payroll Services line item to about \$14,000 will be submitted at the Budget Committee Meeting.

- ii. PY2011 Awards & Expenditures Report – Monthly Update

Mr. Kostecki provided an overview of the expenditures.

Mr. Galbreth noted that the report on page 41 of the agenda will be reconciled, revised, and reformatted and until then asked the Board to disregard it.

Dan Gouker requested that the revised report reflect accurate totals (i.e., cost per participant).

- iii. ADW, Youth and Statewide Funding Plans

Carol Turner provided an overview of the funding plans.

- iv. A-133 Audit Findings Report

Mr. Kostecki provided an overview of the A-133 Audit report and reported that a final audit will be issued by the end of January 2013.

Discussion ensued regarding finding 11-4 *Grant funds expended for purposes other than the purpose specified in drawdown*. Staff has implemented a tracking

system that will help reduce these occurrences, but untimely drawdowns may pose an ongoing problem with tracking.

Dennis Perea stated that DETR's account balances for ADW & Youth are not the same as the Board's, but once the accounts are reconciled, DETR will be able to help the Board get drawdowns in a timely manner.

v. DOL Audit Findings Narrative Report

Ardell Galbreth provided an overview of DOL's PY2011 audit findings for Southern Nevada:

**Finding #12** One Stop Delivery System: Workforce Connections staff has developed draft MOUs and is meeting with required one stop partners and soliciting non-required partners for the one stop center; staff has scheduled an upcoming training session (August 1- 3) for the one stop, which will be followed with one stop planning sessions with DETR. Staff will update the Board and LEOs as steps are completed.

**Finding #26** Cash Management: this finding will be reoccurring because it's seldom that the Board will receive a draw less than five days after the drawdown is made.

**Finding #27** Allowable Costs (Automobile allowances): this item has been addressed with detailed mileage reimbursement forms and by no longer paying a car allowance to the Executive Director.

**Finding #28** One Stop Operator: Workforce Connections will establish a consortium of entities that includes required one stop partners.

**Finding #29** MOU for One-Stop Delivery System: Workforce Connections staff has developed draft MOUs. A final lease will be vetted by the LEOs after it's finalized by legal counsel.

Dennis Perea reported that DETR has received the MOUs with the language regarding DETR's fiduciary responsibility for the one stop if a unified state workforce board goes into effect, and it's currently being reviewed by the deputy attorney general.

**Finding #30** On-the-Job Training Contracts: Workforce Connections' staff was not able to consult with DOL auditors when this was written as a finding; however, it should not have been a finding and has been corrected. The provider that entered into the OJT contract did so appropriately.

**Finding #33** Workforce Connections' MIS system does not fully integrate with the State reporting system: Workforce Connections' NVTrac system now interfaces with the State's reporting system (NJCOS).

Valerie Murzl pointed out that DETR has 33 audit findings of their own and said it's disrespectful that they would 'throw stones' at Workforce Connections for having findings.

Commissioner Kirby stated that the Board has complimented new management on the vast improvement made at the agency but they still need to be proactive and

maintain oversight of the agency and continue to ask questions to ensure that the 'ship is a tight ship'.

Hannah Brown expressed concern that an adversarial relationship is developing between the Board and DETR, making it very difficult to work together.

Dennis Perea stated that DETR is communicating very well with Board staff and has a very good relationship with Workforce Connections; the contention is here at the Board level because of the issue of one statewide board.

Ardell Galbreth stated that Workforce Connections' intent to review these findings is to provide full disclosure to the public, and Workforce Connections' staff will work very hard to continue the collaborative relationships with DETR and its partners to achieve goals that will really benefit the community at large.

***A motion was made to accept agenda item 6.c.i, ii. iii., iv, v. by Councilwoman Anita Wood and seconded by Valerie Murzl. Motion carried.***

d. INFORMATION: Workforce Connections Standing Professional Services Contracts

Commissioner Bill Kirby inquired about the necessity of the CST Project Consulting contract for \$74,990 to clear A-133 audit findings for program year 2009-10.

Ardell Galbreth replied that the CST contract is for consulting services provided by Carol Turner, who has brought an array of skills to the agency and has assisted the agency tremendously by eliminating many of the audit findings that have been repeating year after year; this contract is a great benefit in lieu of potential disallowed costs.

Mr. Galbreth stated that the agency has a current need for the contracts listed on this report.

Dan Gouker inquired about the NVTrac Maintenance Consultant Sole Source Contract. Mr. Gouker asked if the company who sold the program had a list of individuals in Nevada that could provide technical support on the system. Mr. Gouker questioned that only candidate could be identified to provide these services and that the candidate is from San Diego, CA.

Mr. Galbreth replied, according to the agency's records on file, the individual providing these services (Taka Kajiyama) was vetted and the proper justification for the sole source was provided. Therefore, it can be assumed that at the time the system was purchased, previous management sought individuals that could provide technical support on this system and Taka was the only one identified.

Mr. Galbreth ensured that staff is being trained to take over some of the functions provided under this contract and to safeguard the continued operation of NVTrac; a training plan has been instituted to train staff on the operation and support of the system.

Matt Cecil, Legal Counsel, clarified that a sole source can also mean that only one person responded to the RFP and does not necessarily mean that only one respondent was qualified.

Mujahid Ramadan stated that in the future there needs to be more transparency to the contract process and that the agency should solicit Nevada residents first.

Mr. Galbreth stated that staff will bring all contracts to the board for review.

Commissioner Kirby asked if staff feels comfortable with the sole source contract with Taka Kajiyama and if a new contract was instituted would there be a disruption with the system that could jeopardize the agency's progress. Kirby agreed that sole source contracts outside of Nevada are not consistent with good business practices.

Mr. Galbreth replied that Taka Kajiyama is very good and he knows the system and how to keep it up and running; however, the agency needs staff on board that can provide the same type of maintenance on the system. The staff that is being trained should have the necessary skills by June/July 2013 to adequately support the system, at which time the sole source contract with Taka Kajiyama will be ending.

Mr. Galbreth reported that a contract with Piercy, Bowler, Taylor and Kern is pending a statement of work from PBTK. Upon receipt, the contract will be presented to the Board for action and added to this report.

Mr. Gouker requested that (1) the contract is sent to the Budget Committee then to the LEO Consortium for final approval and (2) the contract is divided out between the cost of the audit vs. cost for extras, such as consulting fees and travel expense.

Commissioner Kirby noted that Jantec temporary employment services contract amount is 11.38% over-head cost and asked about the benefits of the contract and associated costs.

Carol Turner replied, in February 2011 the contract was selected through a formal Request for Proposal process and Jantec's bid came in significantly less than the other respondents. To date, the contract is at \$135,000 (Jantec's 11.38% over-head) and the agency has billed just over \$450,000.

7. INTERIM EXECUTIVE DIRECTOR UPDATE ~ Ardell Galbreth

a. DISCUSSION and POSSIBLE ACTION: Workforce Connections Board By-Laws

*A motion was made to approve the Workforce Connections' Board By-Laws by Councilwoman Anita Wood and seconded by Commissioner Bill Kirby. Motion carried.*

b. INFORMATION: Workforce Connections' Annual Report

The Workforce Connections' Annual Report is provided in the full agenda packet for information only.

8. SECOND PUBLIC COMMENT:

**Doug Geinzer, CEO – Southern Nevada Medical Industry Coalition (SNMIC):** Mr. Geinzer stated that SNMIC submitted a grant application for Workforce Connections' youth healthcare grant, but it was deemed to be non-responsive and not-able to deliver the services needed for this area. Mr. Geinzer stated that the architecture of the grant was no different than the Healthcare 20/20 program and after SNMIC's proposal was deemed non-responsive, the program was brought in house.

Mr. Geinzer noted that the green youth contract for \$500,000 was awarded to Latin Chamber of Commerce and asked what happened to the youth healthcare contract.

Mr. Geinzer stated that Nevada's healthcare infrastructure is in need of serious repair and the Healthcare 20/20 program was designed to develop a workforce and workforce planning system for the next ten years to get Nevada back on track to help with diversification efforts. However, Workforce Connections stopped progress by placing SNMIC on high risk and by not funding the Workforce Connections youth healthcare grant.

**Dr. Tiffany Tyler, Nevada Partners, Inc. (NPI):** Dr. Tyler provided a brief overview of NPI's work to date, supported by a two-page summary distributed to the Board. Dr. Tyler invited any interested Board members for a site visit and review of NPI's services.

9. BOARD DEVELOPMENT TRAINING ~ John Chamberlain

John Chamberlain provided a presentation on the Workforce Investment System.

10. THIRD PUBLIC COMMENT:

None

11. Adjournment

The meeting adjourned at 1:07 p.m.