

MINUTES

Local Elected Officials Consortium

January 10, 2012

1PM

*workforce*CONNECTIONS

7251 W. Lake Mead Blvd.,

Suite 200 Conference

Las Vegas, NV 89128

Members Present

Councilwoman Gerri Schroder
Commissioner Dominic Pappalardo
Councilwoman Peggy Leavitt
Commissioner George "Tommy" Rowe

Commissioner Lawrence Weekly
Commissioner Andrew Borasky
Councilman Bob Coffin
Councilwoman Anita Wood

Members Absent

None

Staff Present

John Ball
Ardell Galbreth
Heather DeSart

Suzanne Potter
Carol Turner
MaryAnn Avendano

Others Present

Matt Cecil, Legal Counsel
Doug Lyon, City of Las Vegas
Debra Sizemore, City of Henderson
Tom Wilson, Clark County
Ann Lynch, SNMIC

Michael Oh, City of Henderson
Laverne Kelley, DETR-WISS
Rhonda Dunaway, City of Henderson
Phil Stoeckinger, City of Las Vegas
Charles Perry, NVHCA

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

1. CALL TO ORDER, confirmation of posting, roll call
The meeting was called to order by Chair Councilwoman Gerri Schroder at 1:00PM. 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. ACTION: Approve the Agenda with inclusions of any emergency items and deletion of any items
A motion was made to approve the agenda with as presented by Commissioner Lawrence Weekly and seconded by Commissioner Tommy Rowe. Motion carried.
3. FIRST PUBLIC COMMENT SESSION: Members of the public may now comment on any matter posted on this Agenda, which is before this Board for consideration and action today. Please clearly state and spell your name and state your address for the record. Each public comment will be limited to three (3) minutes.
Douglas Lyon stated that legal counsel is present for legal comments.

Douglas Geinzer, CEO, Southern Nevada Medical Industry Coalition (SNMIC) commented on the success of the Healthcare 20/20 program and the issues related to the high risk status and requested the Board to take action in the matter.

Commissioner Butch Borasky made a request to have an SNMIC update on the next agenda.

4. ACTION: Approval of the Local Elected Consortium meeting minutes of November 8, 2011
A motion was made to approve the Local Elected Consortium meeting minutes of November 8, 2011 by Commissioner Butch Borasky and seconded by Commissioner Lawrence Weekly. Motion carried.
5. DISCUSSION and ACTION: Nomination for Appointment to the Workforce Connections' Board of Directors:
Homero A. Garza
Wells Fargo
Appointment (3-year term)
Category: Business
A motion was made to approve the nomination for appointment to the Workforce Connections' Board of Directors Homero A. Garza as presented by Councilwoman Gerri Schroder and seconded by Commissioner Lawrence Weekly. Motion carried.
6. ACTION: LEO Consortium Chair and Vice Chair Elections
Chair Councilwoman Schroder asked for nominations for LEO Consortium Chair and Vice Chair.
A motion was made to nominate Commissioner Lawrence Weekly for LEO Consortium Chair by Commissioner Weekly and seconded by Commissioner Borasky. Motion carried.
A motion was made to nominate Councilwoman Peggy Leavitt for LEO Consortium Vice Chair by Councilwoman Gerri Schroder and seconded by Commissioner Lawrence Weekly. Motion carried.
7. ACTION: Review and Discuss Local Elected Officials Interlocal Agreement
Ardell Galbreth, Deputy Director-Operations, provided background. Matt Cecil, Legal Counsel, commented that the LEO Interlocal Agreement is reviewed by the LEO Consortium every two years wherein the LEOs suggest changes; however, the LEOs are encouraged to consult their legal counsel prior to making changes. Doug Lyon, Clark County stated that at the January 24, 2012 SNRPC meeting the population figures will be approved then used to determine the fiscal liability for each of the LEOs jurisdictions. The LEOs will be asked to approve the adjustments at the next meeting. This item is on the agenda today for review only.
8. ACTION: Review and Discuss Local Elected Officials and Workforce Connections Board of Directors Agreement
This item is on the agenda today for review only.
9. ACTION: Review and Approve Workforce Connections' Bylaws
Michael Oh, City of Henderson, verified that the Joint Legal Advisory Committee (lawyers from Clark County, City of Las Vegas, and City of Henderson reviewed the Bylaws presented at today's meeting. Matt Cecil provided an overview of the revisions suggested by the Joint Legal Advisory Committee. The approved revisions will be written into the Bylaws and forwarded to the Board of Directors to begin their 60 day review and approval period. Discussion ensued.
A motion was made to approve the Workforce Connections' Bylaws with changes by Commissioner Tommy Rowe and seconded by Councilwoman Anita Wood. Motion carried.
10. INFORMATION: Audit Findings Status Report
Carol Turner provided an update on the audit findings and corrective action provided in detail on page 47-51. Staff is continuing to update progress and the policies/procedures to address the audit findings from the prior year. The CFO search is a key portion of addressing some of the audit gap

findings and the lack of expertise and skills. The address these issues the agency is searching for a CFO position to provide the agency with additional expertise. The implementation of the Financial Edge computer system is also a key piece in addressing some of the audit findings. The finance department and additional temporary staff are working diligently on entering data into the Financial Edge system beginning with transactions dated July 2011 and beyond. By February the new system should be reconciled and updated with all transactions. The finance department is continuing to collect DUNS numbers from funded partners with expired information. The federal awards schedule is continuously being reconciled and updated with accurate information. The audit was conducted by Piercy Bowler. Discussion ensued.

Doug Lyon stated that he and the jurisdiction's CFOs are comfortable with the progress of the corrective action the agency is making in response to the audit findings.

11. INFORMATION: Current PY10 Auditing Update

Mary Ann Avendano, Interim Finance Manager provided an update on the current audit for Program Year 2010. The final week of field work is in progress, remaining projects and reconciliations are being completed, and an exit meeting is scheduled for this upcoming Friday. The expected audit report date is by the end of January 2012. Ardell Galbreth thanked the Finance staff and jurisdictions CFOs for their hard work and efforts which will result in a timely audit this year for the first time in a long time. Discussion ensued.

12. INFORMATION: CFO and Financial Manager Recruitment Update

Carol Turner provided an update. The CFO search is postponed until the Spring of 2012. The agency will focus on hiring a new Finance Manager who will oversee the day to day operations and supervise the finance department staff. A qualified candidate was identified and offered the CFO position but declined. A second candidate was identified and offered the finance manager position in-lieu of the CFO but declined. Staff will coordinate with the jurisdictions CFOs in the process of hiring both positions.

Doug Lyon stated that the jurisdictions CFOs concur with the direction that the agency is going in the recruitment process for the CFO. Mr. Lyon stated that after the first candidate declined the offer for the CFO position the persons that were remaining were not necessarily qualified individuals to run the agency from a financial perspective. It was suggested that the agency go outside and conduct recruitment again for the CFO position. Mr. Lyon stated that at least one candidate was qualified for the Finance Manager position but declined the job offer and suggested the agency conduct a recruitment for Finance Manager.

Mr. Ball stated for the record that all job recruitments are open recruitments to find the best candidates possible.

In the interim, Carol Turner is acting as financial consultant. Ms. Turner has worked for the City of Henderson where she played a key role on the financial team. Mr. Lyon stated that Ms. Turner has a very good grip on the agency's internal financial operations and she is providing very strong reports.

In response to Councilman Coffin's inquiry regarding separation of duties, Mr. Ball stated that the agency is operating internally with adequate controls in place and meets regularly with the jurisdictions CFOs.

In response to Councilman Coffin's inquiry as to why the candidates declined both the CFO and Finance Managers position, staff replied that it was a personnel issue; however, the candidates did not appear to be considered about the salary. Mr. Lyon stated that the CFOs feel that the salary offered for the CFO position is reasonable for the position.

13. INFORMATION: Budget vs. Actual Finance Report (Workforce Connections Operations)

Ardell Galbreth provided a brief overview of the Budget vs. Actual Finance Report provided on page 58 of the agenda packet.

14. ACTION: Review and Approve Revised Budget (Workforce Connections Operations)

Ardell Galbreth provided an overview of the revisions to the PY2011 WIA Formula Budget for the period July 1, 2011 to June 30, 2012 provided on page 60 of the agenda packet. The revised budget is \$23,919,200; an increase of \$884,924. The budget narrative is provided on page 61-66 of the agenda packet.

Councilwoman Anita Wood inquired about the \$125,000 increase under line item 6130 Equipment/Furniture and asked staff to provide an itemized detail of purchases. Mr. Galbreth stated there was no increase in this line item from the revised budget approved in November; however, due to the current operations requirements staff is asking for a cost increase for additional furniture, computers, server, and administrative staff support in the programmatic area. The new ADW office and IT furniture is part of the justification for this line item.

Mr. Galbreth commented on new line item #6850 Strategic Initiative. This line item was created to utilize and track strategic projects in support of the workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. Carol Turner commented that the budget has no carry-forward; everything is budgeted to a line item. John Ball commented that carry-forward amounts are rolled over into a revised budget, which is being presented here today.

Commissioner Butch Borasky made a request for staff to provide the number of participants trained and employed in green economy (i.e., solar energy) jobs.

Tom Wilson, Clark County reviewed the original budget as presented and is in agreement.

A motion was made to approve revised budget (Workforce Connections Operations) by Commissioner Tommy Rowe and seconded by Commissioner Butch Borasky. Motion carried.

15. INFORMATION: Oversight Protocol – Monitoring and Technical Assistance Summary Report(s)

Ardell Galbreth provided an overview of the oversight protocol. The Non-Compliance Sanctioning Process Policy 5.2 is provided on page 69 of the agenda packet. Mr. Galbreth stated that this process (pink and red papers) is separate from high risk status. As requested at the last meeting, an appeal process has been added to the policy. A pictorial view of how the process works is provided on page 72 of the agenda packet. Discussion ensued regarding the appellate process, specifically the next level of the appeal process beyond the Executive Director's review. Michael Oh, Legal Counsel, City of Henderson, commented that for the purpose of today's discussion the policy presented on this agenda is a preliminary draft for discussion only. The joint legal advisory committee will review the process and present it at the next regularly scheduled LEO meeting for approval and discussion.

INFORMATION: Executive Director Transition

John Ball, Executive Director, commented that pursuant to his agreement to commit five years to Workforce Connections as CEO, this March 2012 the five year period will end. As per the letter provided on page 79 of the agenda packet, Mr. Ball is providing timely notice that his employment with Workforce Connections will end no later than March 30, 2012. Due to time constraints, Legal Counsel recommended that a qualified head hunter is hired to handle the search process for a new CEO. Councilwoman Gerri Schroder suggested an item be placed on the

next LEO meeting agenda to determine the CEO search process. Staff will work with the LEO Chair and Vice Chair in this matter. Discussion ensued.

Staff will provide the LEOs a copy of Mr. Ball's contract immediately following the meeting.

SECOND PUBLIC COMMENT SESSION - Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier, however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name and state your address for the record. Each public comment will be limited to three (3) minutes.

Douglas Geinzer, CEO, Southern Nevada Medical Industry Coalition (SNMIC) commented as to why SNMIC is no longer a service provider. Mr. Geinzer stated that SNMIC did not quit the contract rather he stated that they were never given a contract. Mr. Geinzer stated that on July 1st monies were dispersed for healthcare; SNMIC was an incumbent training provider at the time and received a Letter of Intent on July 1st, which was for 90 days. On day 76, Mr. Geinzer came to the LEO meeting and distributed a budget that was in its third revision with the Workforce Connections staff. Mr. Geinzer stated that the only reason it was never signed was that SNMIC never received a contract. At that meeting, Mr. Geinzer requested that the LEOs direct staff to sign the contract or extend the Letter of Intent so SNMIC can continue operating. Mr. Geinzer stated that the extension did not happen until Congressman Heck's intervention. Mr. Geinzer stated that Congressman Heck did intervene on behalf of SNMIC in the 11th hour on the 29th of September and after that SNMIC did get a letter of extension but it was attached to high risk status. Mr. Geinzer stated that several of SNMICs board members were called into a meeting and handed a draft letter and told that when Mr. Ball met with Mr. Geinzer, if he behaved maybe the letter would not be sent out. Mr. Geinzer stated that he asked what it would take to avoid off high-risk status and stated that Mr. Ball would discuss it with Workforce Connections staff. Mr. Geinzer stated that the following day SNMIC received the letter of extension with a high-risk attached. Mr. Geinzer stated that the following was included with the high-risk status: SNMIC had to immediately cease enrolling clients; SNMIC could no longer enroll registered nurses; SNMIC could no longer provide training to existing participants; SNMIC had to hire two additional full-time employees, and SNMIC had to terminate Mr. Geinzer, CEO. Mr. Geinzer commented that quitting was not an option rather SNMIC had no choices. Mr. Geinzer commented that he wished he would have/ signed the budget because 45% of the funding was going toward training clients to deliver the same results SNMIC delivered the previous year, wherein 87 new nurse graduates were placed in employment. SNMIC had 100% recruitment, 100% placement at an average wage of \$26.00 per hour. Mr. Geinzer commented that SNMIC outcomes outpaced and out-delivered all other funded partners of Workforce Connections.

Mr. Ball responded that Congressman Heck had nothing to do with this process.

Charles Perry, member of the Workforce Connections Board, previous member of the SNMIC Board, and healthcare provider in the community for over 40 years commented on the matter of SNMIC. Last October-November Mr. Perry got involved in the discussions regarding SNMICs placement on high risk status and concurs with Mr. Geinzer's statement presented here today. Mr. Perry stated that Workforce Connections staff was to provide SNMIC with their shortcomings but did not hear anything new on the matter. Subsequently, Mr. Perry came to the ADW meeting and made comments including that in his opinion there is a bias within Workforce Connections among certain leaders, which he identified by name at the meeting. Mr. Perry stated that he does not detract any comments that he made on record at that ADW meeting and that he does believe that there is and has existed at Workforce Connections for quite some time a personal bias against the Executive Director and CEO of SNMIC.

Ann Lynch, President, SNMIC, commented that she was pleased that the Healthcare 20/20 program is receiving a lot of attention and accolades and is demonstrates what Nevada can do as a community to revitalize the nursing situation. Ms. Lynch is proud that the program is continuing by the Nevada Hospital Association now as a statewide program.

Ms. Lynch commented that she was distressed to find out that SNMIC was slammed heavily for protocol that had nothing to do with the program itself. Ms. Lynch commented that the program was extremely successful with 100% placement and retention. Ms. Lynch commented that the program help put back to work a lot of nurses who left the profession five to six years ago to raise children and now have to return to work but needed orientation and residency. SNMIC was able to successfully assist the nurses. Regarding SNMICs issues, Ms. Lynch stated that there was no protocol followed and no pink slip provided to them rather they were told to address certain issues or were through as a contractor. Ms. Lynch commented that it was distressing and did not speak to the heart of the matter. Ms. Lynch met with Workforce Connections staff and assured them that SNMIC would take care of the things that were wrong. Ms. Lynch stated that SNMIC did take care of these things only to be notified of more things they had done wrong. Ms. Lynch commented that SNMIC had no choice because they could not dissolve the program and they had no contractual agreement. Ms. Lynch commented that she was sorry protocol was not followed and that SNMIC did not have the opportunity to appeal. Ms. Lynch commented that the high-risk letter has damaged SNMIC and the members of the board, including members of the health district, several hospitals, business chambers, and community foundations because they now have to disclose when they apply for future federal grants that they have been involved with an organization that has been placed on high-risk.

16. Adjournment

The meeting adjourned at 2:55 p.m.