

**Workforce Solutions Deep East Texas  
Board Meeting Minutes  
415 S. First Street, Suite 110B  
Lufkin, TX 75901  
September 13, 2022**

**I. VICE CHAIR, ELLEN MILLS CALLED THE BOARD MEETING TO ORDER AT 2:31 P.M.**

**MS. MILLS ANNOUNCED IN ACCORDANCE WITH GUIDANCE FROM THE TEXAS WORKFORCE COMMISSION (WD LETTER 28-19) DATED NOVEMBER 19, 2019, REGARDING THE TEXAS OPEN MEETINGS ACT GOVERNMENT CODE CHAPTER 551 ALLOWING THE USE OF VIDEO-CONFERENCING AS A METHOD FOR CONDUCTING BOARD MEETINGS, THE BOARD IS PROVIDING FOR PUBLIC PARTICIPATION IN ITS BOARD MEETING AT THE ADDRESS LISTED ABOVE AND VIA VIRTUAL MEETING WEB LINK. SHE ALSO SAID THE MEETING IS BEING RECORDED AND THE OPEN SESSION PORTION OF THE MEETING IS AVAILABLE TO THE PUBLIC UPON REQUEST. THE BOARD SERVES TWELVE (12) COUNTIES AND LISTED THE HOST LOCATION, AND PRESIDING OFFICER, ELLEN MILLS, WAS PHYSICALLY PRESENT.**

**AFTER THE ROLL CALL, ELLEN MILLS CONFIRMED THAT A QUORUM WAS PRESENT:**

**Members Present:** Joe Clyde Adams, Lisa Balty, Tim Ditoro, James Gentry, Staci Hodges, Eddie Hopkins, Anita Humphreys, Kotosha Jeffery, Gene Lee, Matthew Lowery, Quincy Martindale, Ellen Mills, Marisa Phillips, Randall Roberts, Jessica Rogers, Rich Scott, John White

**Members Absent:** Rebekah Burkhalter, TJ Colwell, Tyane Dietz, Robert Fitzpatrick, Phyllis Grandgeorge, Wayne Haglund, Ethan Herr, Malcolm Ifoezeh, Garvey Jackson, Laurie King, Kelli Marshall, John Allen Slocomb

**Board Staff Present:** Mark Durand, Debb Homman, Sarah Milligan, Lauren Phipps, Karen Stubblefield, Misty Woodard

**Visitors:** Scott Amey, Jessica Blair, LaTreaser Cartwright, Rhonda Cartwright, Michelle Kennedy, Monica Peters-Clark

**ELLEN MILLS REMINDED THE BOARD MEMBERS OF THE CONFLICT OF INTEREST DECLARATION.**

Ms. Mills asked that all members sign a conflict of interest declaration regardless of whether they have a conflict and return the form to board staff.

**WELCOME OF GUESTS:**

None

**II. Public Comments**

None

**III. Discussion/Action: Approval of Minutes – July 19, 2022**

**Motion:** Lisa Balty made the motion to approve the minutes as presented.

Second: Joe Clyde Adams  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

#### **IV. Information Item**

##### **A. TWC Annual Desk Review of Audit**

In July 2022, the Deep East Texas Local Workforce Development Board accepted the fiscal year 2021 audit completed by Alexander, Lankford and Hiers, Inc. Certified Public Accountants. The Board was then required to submit the audit report to the Texas Workforce Commission (TWC) for review. TWC confirmed the audit report complies with relevant regulations, guidance, and standards, and the audit file was closed for the fiscal year ending September 30, 2021.

##### **B. TWC RSM On-Site Risk Assessment Reports**

The Board's EO Officer, Lauren Phipps, reported on the in-person risk assessments conducted by TWC's Risk & Security Management (RSM) team in July 2022 at two of the Deep East Texas workforce centers. Ms. Phipps briefly explained the purpose and outcome of each assessment. The RSM team assessed the Livingston and Lufkin workforce centers for potential exposures to risks and unsafe work conditions, such as proper use of surge protectors and electrical outlets, fire hazards, and obstructed walkways. Documentation of evacuation plans and routine safety training was also provided to the RSM team, upon request. On August 8, 2022, the RSM team submitted their reports for the Livingston and Lufkin workforce centers, giving both facilities an "Excellent" rating in all four (4) categories assessed: (1) safety; (2) security; (3) privacy; and (4) continuity of operations. No hazards were identified.

##### **C. TWC Annual Equal Opportunity Monitoring Review**

TWC conducted their annual Equal Opportunity Compliance monitoring in March 2022. The Board's EO Officer, Lauren Phipps, assisted with the monitoring by completing an EO Survey and providing TWC with supporting documentation regarding physical accessibility of the Board's workforce centers, programmatic accessibility, and the Board's policies and procedures associated with Equal Opportunity and Accessibility. TWC reported no findings or areas of concern regarding programmatic accessibility and the Board's policies and procedures. As for physical accessibility, TWC's EO Coordinator notified the Board that TWC would no longer allow for facilities to be "grandfathered in" based on the year the facility was constructed, which has been accepted in previous years. As a result, three (3) of the Deep East Texas workforce centers required minor updates to their facilities. Two (2) centers only needed to install a door pull on the outside of the accessible restroom stall door, and one (1) center only needed to relocate the toilet paper dispenser so that it is within 7-9 inches from the front of the toilet. All three (3) workforce centers completed these minor updates quickly. Following submission of updated facility inspections, TWC notified the Board that all Deep East Texas workforce centers are in compliance for fiscal year 2022. Other than these minor facility updates, there were no findings by TWC during the FY2022 Equal Opportunity Monitoring Review.

#### **V. Board Members Comments on Activity in their Respective Areas**

Director of Adult Education and Literacy (AEL), Mr. Randy Roberts, announced he had a virtual meeting with TWC's Adult Education Specialist, and learned the local AEL program leads the state in co-enrollment numbers with the Deep East Texas Local Workforce Development Board. 14% of the local AEL students are co-enrolled in one or more of the Board's programs, such as SNAP, WIOA, and Vocational Rehabilitation; whereas the state average is only 6%. Ms. Lisa Balty mentioned that comments are welcomed and encouraged in response to Stephen F. Austin State University (SFASU) possibly joining systems with either Texas A&M University, Texas State University, Texas Tech University, or The University of Texas education systems.

## **VI. Executive Director's Report**

### **A. Contracts/Agreements**

Mr. Durand stated contracts and agreements will be covered under funding and Financial Contract Outstanding Report.

### **B. Performance**

#### **Child Care:**

Child care enrollment for July was at 1,963 children enrolled with target number of 2,060 (95.29%). As of July 2022, there are 92 total Licensed Center Agreements; 80 of which are within workforce delivery area and 12 agreements are outside the workforce delivery area. Mr. Durand also reported on the great turnout for the Annual TRS Banquet that was held on August 27, 2022 at the Pitsier Garrison Center, with 389 child care staff members from 41 child care centers in attendance.

#### **Workforce:**

Mr. Durand reviewed the July 2022 Monthly Performance Report, announcing Workforce met all 18 performance measures. The Deep East Texas Local Workforce Development Board was only one (1) of four (4) boards to meet all measures. The Board was rated in the top five (5) in the State for Credential Rate; Employed Quarter 2 Adult; Employed Quarter 2 Dislocated Worker; and Median Earnings for Quarter 2 Dislocated Worker. TWC is removing the Board from the CHOICES Full Engagement Rate Technical Assistance Plan (TAP).

### **C. Contacts and Coordination Efforts**

Mr. Durand and other Board staff attended several events and meetings including the East Texas Healthcare Partnership Launch and follow-up meetings, Lufkin ISD Mentorship for At-Risk Youth, Workforce meeting with Angelina County Juvenile Probation, Texas Association of Workforce Boards (TAWB) Quarterly Meeting, IT Apprenticeship Expansion Roundtable discussion, and Texas Forest Country Partnership Board meeting. Discussions are on-going with Angelina College regarding the Skills Development Grant. Mr. Durand reviewed the Workforce Career and Education Outreach Specialist Program (WCEOS) report, highlighting the 2022 goals vs. actuals, and increase in goal measures for 2023 with the new addition of a Workforce Career and Education Outreach Specialist. The 2022 goal for number of signed Letters of Agreement with independent school districts was 12, and currently there are 18 signed agreements. This goal has been increased to 20 for the 2022-2023 school year. The goal for number of campuses served was 21, with an actual number of 27 campuses served (20 campuses and 7 juvenile probation offices). The goal for number of student exposures for 2022 was 1,000; and the actual year-to-date number was 7,621. Mr. Durand also reviewed the Student HireAbility Navigator (SHN) report. The Board's SHN, Aubrey Jones, attended and presented multiple sessions at the 2022 Texas Association of Vocational Assistance Center (TAVAC) whereby ISDs and Education Service Centers as well as community partners and Workforce staff attended to learn more about the SHN role and how we function within the Workforce systems to maximize TWS-VR services for our communities. Ms. Jones was also invited to join the Communities in Action team. An initiative led by the Alcohol and Drug Abuse Council (ADAC) to bring local and state agencies together to provide preventative services to families across the Deep East Texas region. Ms. Jones assisted with the Teacher Externship which increased the SHN's exposure to employers to provide awareness of disability services and how TWS-VR can help employers and their employees. Additionally, Ms. Jones is one (1) of four (4) mentors across the state of Texas, and has hosted two (2) mentees this quarter, helping them learn their role as a SHN.

### **D. Rules and Legislation Update**

None for this reporting period.

### **E. Funding**

TWC amended the Service Industry Recovery (SIR) Grant by decreasing the funding \$2,470,377 from the original amount of \$6,281,615, for an amended grant amount of \$3,811,238. This decrease in funding is due to the number of children enrolled and the grant period end date of March 2023.

### **F. Other Activity and Administrative Matters not requiring action by the Board**

Mr. Durand reported the unemployment rate for July 2022 was 5.5%, which is down slightly from the 5.6% unemployment rate in June 2022 and down from the 7.2% unemployment rate in July 2021.

## VII. Committee Reports

### A. Executive/Finance Committee

#### 1. Committee Activity

#### 2. Discussion/Possible Action

##### a. Action Item 22-25 WIOA Policy Update

As mandated by TWC, the Board is required to issue policies regarding all programs administered by the Board. Staff recently reviewed the Board's Workforce Innovation & Opportunity Act (WIOA) Policy for any necessary updates regarding technical changes and clarifications so the policy aligns with TWC's WIOA Guide. The following information was added on page 23 of the Board's WIOA Policy regarding WIOA Coordination of Funding: "When coordinating other grant assistance, Boards and training providers must take into account the full cost of participating in training services, including the cost of dependent care, transportation, and other support services. Boards must ensure that Workforce Solutions Office staff documents each participant's income and expected expenses for the entire training period. WIOA funds may be used to offset any deficit." Board staff requested approval of the updated WIOA Policy.

Motion: The Executive/Finance Committee recommended for acceptance of the revised WIOA Policy as presented.

Second: Gene Lee

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

##### b. Action Item 22-26 FY2023 Budget

The Board is required to prepare and submit an operations budget for the fiscal year period October 1, 2022 through September 30, 2023. The Budget outlines the Board's oversight and management; facility and infrastructure, service delivery and direct client costs for both workforce and childcare contractors. The Board's total revenue is projected \$27,821,548 due mainly to the increase in childcare and Workforce Innovation Opportunity Act (WIOA) funding. The Budget includes Special Projects: IT Apprenticeship, Carpentry Apprenticeship, Child Care Business Services Specialist and Student HireAbility Navigator funding. The Board's WIOA Adult, Dislocated Worker and Youth grants total \$3,636,599. The direct client services career center increased \$82,000 from FY'22. Direct childcare is proposed at \$16,458,630 to serve a targeted number of 2,350 children per day. Mark Durand and Finance Director, Misty Woodard, reviewed a breakdown of the budget, providing explanations on areas where the budget increases significantly for FY2023. Mr. Durand noted that Board Staff is currently at 16 full-time employees (FTEs), with two (2) Child Care Business Specialist positions currently in the process of being filled. Mr. Durand requested the Board approve one additional FTE for an Accountant position. This will result in a total of 19 FTEs for Board Staff. Ms. Woodard noted the significant increase in the Facility and Infrastructure Expenses Budget to allow for back-up server/switches to comply with cybersecurity requirements, cybersecurity and IT services, and software upgrades such as Adobe Pro. The rental contract for the Workforce Solutions office located in Lufkin will come up for review, which may result in a possible relocation of this office. Therefore, funds have been set aside for possible moving costs. Ms. Woodard noted the increase in the budget for Board Staff travel, and explained this increase is due to higher fuel prices, inflation, and the additional FTEs. Ms. Woodard also noted the decrease in Child Care Direct Client costs due to the Service Industry Recovery (SIR) funding ending.

Motion: The Executive/Finance Committee recommended for acceptance of the FY2023 Budget.

Second: Joe Clyde Adams

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

**3. Open Session Action, if any, as a result of Closed Session**  
None

**4. Discussion and Acceptance of Financial Reports**

**a. Financial Reports for June & July 2022**

**1. Statement of Financial Position**

**2. Budget vs. Actual**

**3. Grant Report**

Misty Woodard provided financial updates for the months of June and July 2022. Ms. Woodard referenced the variance narrative and reviewed the contracts outstanding. For the June 2022 Variance Narrative, Ms. Woodard mentioned the \$19,000 for Arctic Wolf contract services and the need for this service to fulfill cyber security requirements from TWC. The Board was also informed of the necessary increase of the bond from \$1,000,000 to \$2,000,000 due to increased child care funding and the Board going over the \$1,000,000 bond a few times. Mr. Durand and Ms. Woodard reviewed the Contracts Outstanding report for July 2022. Mr. Durand pointed out the 72% remaining of the IT Apprenticeship Grant, and stated the reason for this high percentage is due to the difficulty in finding and recruiting interested participants for the apprenticeship, but a recent roundtable discussion was held with Legacy Institute for Financial Education (LIFE) and Lockheed Martin to discuss how to increase recruitment. With the Carpentry Apprenticeship underway, staff will take insight and lessons learned from IT Apprenticeship and apply it to the Carpentry Apprenticeship. On a motion made by Joe Clyde Adams, and seconded by Staci Hodges, the June and July 2022 financial reports were accepted.

**VIII. Adjourn**

Ellen Mills adjourned the meeting at 3:52 p.m.

Duly passed and approved on this 18<sup>th</sup> day of October 2022

  
Kelli Marshall, Chair

Attest

  
Lauren Phipps, Planning and Policy Specialist