

**Workforce Solutions Deep East Texas
Board Meeting Minutes
415 S. First Street, Suite 110B, Lufkin, TX 75901
October 18, 2022**

I. CHAIR KELLI MARSHALL CALLED THE BOARD MEETING TO ORDER AT 2:31 P.M.

MS. MARSHALL 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, KELLI MARSHALL, WAS PHYSICALLY PRESENT.

AFTER THE ROLL CALL, MS. MARSHALL CONFIRMED THAT A QUORUM WAS PRESENT:

Members Present: Joe Clyde Adams, Lisa Balty, Rebekah Burkhalter, TJ Colwell, Tyane Dietz, Tim Ditoro, James Gentry, Ethan Herr, Staci Hodges, Eddie Hopkins, Anita Humphreys, Garvey Jackson, Matthew Lowery, Kelli Marshall, Quincy Martindale, Ellen Mills, Randall Roberts, John Allen Slocomb

Members Absent: Robert Fitzpatrick, Phyllis Grandgeorge, Wayne Haglund, Malcolm Ifoezeh, Kotosha Jeffery, Laurie King, Gene Lee, Marisa Phillips, Jessica Rogers, Rich Scott, John White

Board Staff Present: Mark Durand, Debb Homman, Aubrey Jones, Lauren Phipps, Karen Stubblefield, Misty Woodard

Visitors: Commissioner Julian Alvarez, Jessica Blair, LaTreaser Cartwright, Rhonda Cartwright, Paul Dunn, Trey Henderson, Michelle Kennedy, Monica Peters-Clark

KELLI MARSHALL REMINDED THE BOARD MEMBERS OF THE CONFLICT OF INTEREST DECLARATION.

Ms. Marshall 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:

The Board welcomed Commissioner Representing Labor, Julian Alvarez, and Trey Henderson, who was recently appointed to the Board of Directors for the Texas Economic Development Corporation.

II. Commissioner Representing Labor, Julian Alvarez

Commissioner Alvarez joined the meeting virtually and provided comments to the Board. He mentioned he will be in the Deep East Texas region the next day to present the JET Grant to Coldspring-Oakhurst ISD. He commended the Board on all it is doing for the region with apprenticeships, offering services specific to customers who have been incarcerated, among many other services and programs.

Commissioner Alvarez emphasized how the Board's Executive Director, Mr. Durand, has been actively involved in many initiatives coming from TWC, including the Nursing Apprenticeship Program. Texas will have the first apprenticeship Nurse in the country. Ms. Dietz said working with Commissioner Alvarez over the years has been a pleasure, and she is hopeful he will continue to serve as a commissioner.

III. Public Comments

None

IV. Discussion/Action: Approval of Minutes – September 13, 2022

Motion: Ellen Mills made the motion to approve the minutes as presented.

Second: Joe Clyde Adams

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

V. Information Item

A. TAA Quarter 3 File Review

Mr. Durand reported on the Quarter 3 review of Trade Adjustment Assistance (TAA) files conducted by the Texas Workforce Commission (TWC). TWC requested two (2) TAA files from the Board for Quarter 2 of 2022. On September 6, 2022, TWC issued the results of the two (2) file reviews to the Board. In TWC's review of Reemployment Plan (REP), TWC noted the following areas of concern, and Mr. Durand reported the resulting actions taken by staff: (1) REP must be completely filled out, and staff must adequately justify all TAA approval criteria - staff provided documentation for the three (3) specific job leads as required to meet the TAA approval criteria; (2) the comprehensive assessment must be clearly outlined on the REP – staff amended the REP to include the assessment type; and (3) staff must properly document student enrollment on the REP and in The Workforce Information System of Texas (TWIST) counselor notes – staff provided the student enrollment documents and updated TWIST counselor notes to indicate full/part-time for the 2019 fall semester. Due to the actions taken by staff, all these issues have been resolved. In TWC's review of TWIST, TWC noted the following areas of concern, and Mr. Durand reported the resulting actions taken by staff: (1) remedial weeks must be properly documented – the total number of remedial/prerequisite weeks documented on the REP was 55, but the correct number was 38 which is documented in TWIST case notes; (2) service 68 employability should be entered and properly documented after breaks in training – contractor staff will ensure services are provided after breaks in training of 90 days or more; and (3) staff must document a 30-day customer contact in TWIST on time – contractor staff ensure a 30-day customer contact is entered timely. Due to these actions taken by staff, all these issues have been resolved, as well. TWC response to TAA overall file compliance rate is 90.5%, which meets the state's requirement of 90% or above. The analysis reflects that staff is operating with good practices for managing cases and providing services to TAA customers. No response was needed to TWC.

B. Provalus – Veteran-Friendly Award Recipient

Mr. Durand announced TWC selected Provalus as the recipient of the Veteran-Friendly Award.

Provalus will be recognized at the Annual TWC Conference. Mr. Durand noted this is the first time a local employer has been recognized by TWC in his 5 ½ years as Executive Director. Mr. Eddie

Hopkins nominated Provalus for this award and the Business Services Committee recommended to the Board to nominate Provalus as the Deep East Texas nominee.

C. CHOICES Technical Assistance Plan Lifted

On April 5, 2022, the Texas Workforce Commission (TWC) placed Workforce Solutions Deep East Texas on a Technical Assistance Plan (TAP) to improve performance in the contracted target, CHOICES Full Engagement, performance measure for Board Contract Year 2022. The Board along with its workforce contractor and TWC designed a plan to meet the goal of 50%. The partners met monthly and tracked the success of the plan and progress toward meeting the measure began to improve immediately with an increase in performance measure percentage. Effective September 14, 2022, TWC lifted the TAP due to the Board meeting the CHOICES Full Engagement YTD measure of 50% for four (4) consecutive months and demonstrating timely and effective implementation of all elements of the TAP. For the August 2022 Monthly Performance Report, the CHOICES Full Engagement Rate was 51.63%, meeting monthly performance.

VI. Board Members Comments on Activity in their Respective Areas

Board members and staff congratulated Mr. Tim Ditoro on his new position as the Vice President of Academic Affairs for Angelina College. Mr. Durand mentioned the success coming from the healthcare initiatives that Board Members, Mr. Hopkins and Ms. Humphreys, are leading.

VII. Executive Director's Report

A. Strategic Plan Progress and Update

Mr. Durand provided an update on the progress being made regarding the Board's Strategic Plan goals. For Goal 1: Employer Relationships, the 2022 goals and actuals include: goal percentage of the region's employers who utilize Workforce Solutions Deep East Texas (WSDET) services was 17% with an actual rate of 15.6%; the number of new employers registered with Work in Texas goal of 375 with an actual number of 554; and the number of job fairs and recruiting events goal of 88 with an actual number of 494 for the year. For Goal 2: Education Integration, the 2022 goals and actuals include: goal of 30 Teacher Externships annually with an actual number of 27 (increase from the actual number of 19 in 2021); and a goal of four (4) Career Industries events with a minimum of six (6) school districts represented annually with actuals for 2022 being 10 events with 11 school districts. For Goal 3: Child Care Early Learning, the 2022 goals and actuals include: goal of 2099 children in care with actual number accounting for 95.77% of goal number; and goal of 50% of providers being TRS certified with actual percentage of 51% (41/80) of providers being TRS certified centers. Mr. Durand mentioned that all Child Care Services contracted providers will have to be TRS providers. To date, none of the current contracted providers have indicated they will not continue their contract due to TRS requirement. For Goal 4: Strengthening Community Partnerships, the 2022 goal was to provide one (1) apprenticeship opportunity and the actual number was one (1) apprenticeship and two (2) High Demand Job Training (HDJT) opportunities. For Goal 5: Performance Accountability, the 2022 goal was to meet all performance measures on the Monthly Performance Report (MPR) which WSDET was able to achieve. Mr. Durand stated the current Strategic Plan is under review for any necessary modifications, as required by TWC. The modified Strategic Plan will come before the Board at a later date.

VIII. Committee Reports

A. Operations Committee

1. Committee Activity

2. Discussion/Possible Action

a. Action Item 22-27 Child Care Policy Updates

TWC issued revised Chapter 809 rules, which took effect on October 3, 2022. The Board is required to update its policies to align with the rules issued by TWC. As a result, many updates were made to the Board's Child Care Policy. Child Care Coordinator, Debb

Homman, briefly reviewed the top three (3) changes to the policy which include (1) changes to job search requirements; (2) providers will no longer be allowed to charge over the Board's rates; and (3) regulations regarding participation hours. Ms. Homman reiterated the requirement of the Board to follow and adopt the rules and regulations set forth by TWC. Mr. Durand mentioned the revised policy had been sent to Board Member Child Care Representative, Marisa Phillips, for review, and Ms. Phillips had no questions or concerns regarding the changes.

Motion: The Operations Committee recommended for acceptance of the updated Child Care Policy as presented.

Second: Tyane Dietz

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

B. Business Services Committee

1. Committee Activity

None

C. Executive/Finance Committee

1. Committee Activity

2. Discussion/Possible Action

a. Action Item 22-28 Audit Resolution Report

Mr. Durand reported on TWC's Audit Resolution Report. TWC conducted their annual monitoring March 7-14, 2022 and identified two (2) findings in report #22.17.001 issued to the Board on July 9, 2022. The first finding involved conduction and documentation of procurements. TWC questioned the Board's decision and documentation of not selecting the highest scoring evaluator to review and evaluate the Auditing Request for Qualifications (RFQ) proposals. The result was identified as a \$1,375 questionable cost paid to the evaluator. TWC monitors also requested additional documentation for selection of vendors in the areas of needs assessments, negotiations and independent cost analysis. To resolve this finding, the Board updated its Procurement Policies and Procedures and implemented a Procurement Checklist for all staff to follow. The Board provided documentation in all areas for procurements questioned by TWC for needs analysis, independent cost analysis and negotiations. The Board also provided justification for selecting the evaluator based on experience and qualifications to evaluate the RFQ for auditing services. Based on the justification, TWC Audit Resolution determined the questionable cost of \$1375 was allowable. Corrective actions taken by the Board resolved this finding. The second finding involved revoking TWIST access within the required timeframe. TWC requires employee access to TWIST be terminated within 24 hours of said employee's termination. The Board made changes to its IT Security Policy to ensure termination is completed immediately within the 24-hour timeframe. The Board provided training to both contractors and Board staff for submitting access termination forms immediately to IT department. The Board's IT department is submitting monthly reports to Executive Director and Finance Director to check for compliance of termination. The Board submitted these reports to TWC Audit Resolution in July with a zero percent error rate. August and September internal monitoring reflects a zero percent error rate. Corrective actions taken by the Board resolved this finding. Mr. Durand noted there were no program findings.

Motion: The Executive/Finance Committee recommended for acceptance of the Audit Resolution Report as presented.

Second: Joe Clyde Adams

In Favor: All

Oppose: None
Abstain: None
Motion: Passes

b. Action Item 22-29 Renewal of Auditing Contract

The Board is required to have a financial audit conducted each year in compliance with the State of Texas Uniform Grant Guidance (UGMS) and OMB Circular A-133. A copy of the audit must be furnished to TWC within nine (9) months of the end of each fiscal year. In 2022, a Request for Qualifications (RFQ) was released, and the Board voted to contract with Alexander, Lankford & Hiers, Inc. for Independent Auditing Services. The RFQ and contract provides for renewal of up to four (4) additional years after the initial period at the Board's discretion based on satisfactory performance. This would be the first renewal year if the Board elects to renew the contract. Alexander, Lankford & Hiers, Inc. submitted a cost of \$39,150 for the September 30, 2022 audit, which includes \$2,950 for the preparation of the 990 forms. This is an increase of 5% from the previous contract amount and is due to inflation and the rising cost of personnel.

Motion: The Executive/Finance Committee recommended for approval for the renewal of the Auditing Contract as presented.

Second: Tyane Dietz

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

c. Action Item 22-30 Renewal of Legal Services Contract

The Board released a RFQ in 2020, soliciting legal services. The Board selected Simon/Paschal, PLLC to furnish advice, counsel and issue legal opinions in various operations of the Board. The RFQ allowed the Board to negotiate an initial one-year contract with two (2) one-year renewals, contingent upon successful contract performance. The initial contract was executed in 2020 and was renewed in 2021. If approved, this will be the second renewal and contract period will be through September 30, 2023. Simon/Paschal has represented the Board satisfactorily in reviewing contracts, appeal and fraud hearings and providing other services as requested by the Board. Simon/Paschal, PLLC submitted a letter which constitutes their firm's agreement to renew the legal services contract at the same hourly rate as the current legal services contract (\$250 per hour).

Motion: The Executive/Finance Committee recommended for approval for the renewal of the Legal Services Contract as presented.

Second: Lisa Balty

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

d. Open Session Action, if any, as a result of Closed Session

None

3. Discussion and Acceptance of Financial Reports

a. Financial Reports for August 2022

- **Statement of Financial Position**
- **Budget vs. Actual**
- **Grant Report**

Misty Woodard provided financial updates for the month of August 2022. Ms. Woodard referenced the variance narrative. Ms. Woodard mentioned the \$21,040 for TRS professional development training and \$6,000 for the TRS banquet guest speaker. Mr. Durand and Ms. Woodard reviewed the Contracts Outstanding report. Mr. Durand noted the IT Apprenticeship program has 19 apprentices. Per guidance from TWC, the apprenticeship may be extended by six (6) months with no additional grant funds, which the Board intends to do. Mr. Durand also mentioned \$150,000 in grant funds was transferred from WIOA Dislocated Worker to WIOA Adult. On a motion made by the Executive/Finance Committee, and seconded by Staci Hodges, the August 2022 financial report was accepted.

IX. Adjourn

Kelli Marshall adjourned the meeting at 3:32 p.m.

Duly passed and approved on this 13th day of December 2022



Kelli Marshall, Chair

Attest



Lauren Phipps, Planning and Policy Specialist