

**Workforce Solutions Deep East Texas  
415 S. First Street, Suite 110B, Lufkin, TX 75901  
Executive/Finance Committee Meeting Minutes  
March 14, 2023**

**I. ROBERT FITZPATRICK CALLED THE EXECUTIVE/FINANCE COMMITTEE MEETING TO ORDER AT 1:03 P.M.**

**ON A MOTION MADE BY JAMES GENTRY, AND SECONDED BY GENE LEE, ROBERT FITZPATRICK WAS APPOINTED TEMPORARY PRESIDING OFFICER IN THE ABSENCE OF THE COMMITTEE CHAIR AND VICE CHAIR.**

**MR. FITZPATRICK 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 VIDEOCONFERENCING AS A METHOD FOR CONDUCTING BOARD MEETINGS, THE BOARD IS PROVIDING FOR PUBLIC PARTICIPATION IN THE OPEN PORTIONS OF ITS COMMITTEE MEETING AT THE ADDRESS LISTED ABOVE AND VIA VIRTUAL MEETING WEB LINK. HE 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, ROBERT FITZPATRICK, WAS PHYSICALLY PRESENT.**

**AFTER THE ROLL CALL, MR. FITZPATRICK CONFIRMED THAT A QUORUM WAS PRESENT:**

Members Present: Lisa Balty, Tyane Dietz, Robert Fitzpatrick, James Gentry, Wayne Haglund, Gene Lee, John Allen Slocomb

Members Absent: Garvey Jackson, Kotosha Jeffery, Kelli Marshall, Ellen Mills

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

Visitors: LaTreaser Cartwright, Rhonda Cartwright, Paul Dunn, Michelle Kennedy

**ROBERT FITZPATRICK REMINDED THE BOARD MEMBERS OF THE CONFLICT OF INTEREST DECLARATION.**

Mr. Fitzpatrick asked that all members sign a conflict of interest declaration regardless of whether they have a conflict and send the form to Board Staff.

**WELCOME OF GUESTS:**

None

**II. Public Comments**

None

**III. Discussion/Action: Approval of Minutes – January 17, 2023**

Motion: Lisa Balty made the motion to approve the minutes as presented.  
Second: Tyane Dietz  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

**IV. Information and Briefing Items**

**A. Budget Acceptance Letter**

Mark Durand shared the fiscal year 2023 budget acceptance letter issued by the Texas Workforce Commission (TWC). TWC determined the budget and expenditure information submitted by the Board for fiscal year 2023 is compliant.

**B. Goodwill Program and Fiscal Monitoring Reports**

Child Care Coordinator, Debb Homman, reported on the fiscal and program review of the Board's Child Care Services contractor, Goodwill Industries of Central East Texas (GWI). The monitoring review was performed by Diaz, Smith & Associates (DSA). DSA's fiscal review consisted of an examination of budget vs. expenditures, cash management, payroll, direct and indirect disbursements, audit, management fee, child care payments, allocation testing, and procurement. DSA did not determine any reportable finds or observations. DSA's program review consisted of an examination of eligibility, assessment of parent share of cost, customer tracking, Texas Department of Family and Protective Services (DFPS) referrals, early terminations, and provider agreements. DSA did not determine any reportable findings; however, DSA noted a couple areas of concern. The first area of concern was regarding Form 2450 (child care authorization). The Board is required to develop a process to ensure Form 2450, or a locally developed notification of enrollment form, is sent to the provider and documented in TWIST counselor notes. Of the 32 files reviewed for eligibility, none contained a case note entry showing transmittal of the form. While there was not a case note entry documenting the transmittal of the form, there was a case note entry in each file documenting child care staff had spoken with provider staff to verbally authorize child care. In some cases, a copy of the email confirmation sheet was documented reflecting the transmission of the form to the provider. In some cases, Form 2450 was generated after the verbal authorization. The second area of concern was regarding early terminations. Before terminating care for excessive absences, multiple attempts to provide notice of each child's general absences and the potential for termination of child care must be performed. In five (5) of the seven (7) case files reviewed, documentation did not reflect multiple attempts were made to inform the providers of potential termination. In five of twelve files, early termination was due to the non-payment of the parent share of cost (PSOC). Boards are required to complete several steps surrounding non-payment of PSOC, including evaluate the family's financial circumstances for possible reduction of PSOC, if care is terminated due to nonpayment, a mandatory waiting period of 60 days must be observed before said family can reapply or be placed on a waiting list, and Boards must ensure early terminations due to nonpayment of PSOC are reported in TWIST. Documentation was not in any of the five cases that reflected these actions were performed by contractor staff. DSA does not require a response to areas of concern; however, Board staff requested response to ensure adequate measures are in place to correct these areas.

**C. DWFS Program and Fiscal Monitoring Reports**

Mr. Durand reported on the fiscal and program review of the Board's workforce contractor, Dynamic Workforce Solutions (DWFS), performed by Diaz, Smith & Associates (DSA). DSA's fiscal review consisted of an examination of applicable contracts, budget vs. expenditures, cash management, payroll, direct and indirect disbursements, audit, work experience payroll, allocation testing, insurance, individual training accounts, management fee, and procurement. DSA did not

determine any reportable finds or observations. DSA's program review resulted in findings in the following programs: Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T), Temporary Assistance to Needy Families (TANF/CHOICES), Temporary Assistance to Needy Families/Non-Custodial Parents (NCP), and Workforce Innovation and Opportunity Act (WIOA). These findings consisted of contractor staff not adhering to documentation requirements of the various programs. The workforce contractor has taken corrective action, including staff training. DSA has accepted the corrective actions and concluded the actions are sufficient to resolve the findings. These areas will be reviewed during the next monitoring cycle to assess the effectiveness of the implementation of the corrective actions. Board staff will also review areas noted in the DSA report in monthly case reviews.

**V. Discussion and Possible Action**

**A. Action Item 23-02 PII Policy Changes**

Board staff recently reviewed and updated the Board's Protection of Personally Identifiable Information (PII) Policy following review of TWC's Board PII Questionnaire and PII Walk-Through Checklist. The TWC PII Questionnaire includes questions regarding use of personal portable storage devices. The PII Policy was updated to include verbiage to prohibit the use of personal devices, such as USB/thumb drives and cell phones. The PII Questionnaire also includes questions regarding internal PII monitoring. The Board and contractor staff did not previously have an internal PII monitoring schedule. A section was added to the policy stating internal PII monitoring will now be conducted at the contractor and Board level at least bi-annually. The policy was also updated to reflect the current and correct TWC email address for incident reports to be submitted in cases of breach or suspected breach of PII or other sensitive information.

Motion: Lisa Balty made the motion to accept the PII Policy as presented.

Second: James Gentry

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

**B. Action Item 23-03 Prohibited Technologies Security Policy**

Governor Greg Abbott directed every state agency in Texas to ban its officers and employees from downloading or using TikTok on any government-issued devices, including cell phones, laptops, tablets, desktop computers, and other devices capable of internet connectivity. TikTok is a video-sharing mobile application that has been determined to be a potential security issue for any entity using it. Per TWC guidance, boards must ban the use of TikTok on all Board-issued systems and devices. Boards must also prohibit the use of personal devices (personal computing devices and removable media, including, but not limited to, smart phones) to access or store agency data. As a result of this guidance, the Board developed a Prohibited Technologies Security Policy.

Motion: Tyane Dietz made the motion to accept the Prohibited Technologies Security Policy as presented.

Second: Gene Lee

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

**C. Action Item 23-04 WIOA Policy Update**

Board staff recently reviewed the Board's WIOA Policy for technical changes and clarifications, as follows: "Education-related expenses will be determined by using the established "Cost of Attendance" for the chosen training facility for the time period needed to complete the course of study, if applicable."

Motion: James Gentry made the motion to accept the WIOA Policy as presented.

Second: Lisa Balty  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

**D. Action Item 23-05 Proposal Selection for Angelina County Workforce Center Lease Space**

The Board released Request for Proposal (RFP) 22-417 on January 4, 2023, soliciting proposals for lease space for the Angelina County Workforce Center. The Board received three (3) proposals from AWC Family Partnership, Ltd. The Board currently pays \$8,970 per month (\$0.78 per square foot). The Board conducted an independent estimate and projected cost per square foot to increase to \$1.00 or more based on comparable properties. Based on the evaluation scoring of the three proposals, Proposal #3 from AWC Family Partnership rated the highest. The following strengths were noted: current Angelina County Workforce Center location, Texas Accessibility Standards (TAS) and Americans with Disabilities Act (ADA) compliant, floor plan provided to accommodate additional staff, cost reasonable per square foot, adequate temperature control for server room, adequate parking, and a 10-year lease. Board staff met with AWC Partnership and discussed an intermittent plan prior to and during construction, if needed. AWC Partnership agreed to a price of \$0.95 per square foot if construction is not ready to begin by June 1, 2023. On the first of the following month after construction begins, rent will be amended to \$1.05 per square foot. Cost of new lease: Prior to construction: rent per square foot \$.95 x 11,500 = \$10,925. Effective the month following the start of construction: rent per square foot \$1.05 x 11,500 = \$12,075.)

Motion: James Gentry made the motion to approve the proposal selection for the Angelina County Workforce Center lease space as presented.

Second: Gene Lee  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

**E. Action Item 23-06 Modified Strategic Plan**

The Board previously approved the draft version of the modified Strategic Plan during the December 13, 2022 Board meeting. The draft version of the modified plan was then made available on the Board's website for public comment from January 6, 2023 through February 6, 2023. No public comments were received. Board staff presented the modified Strategic Plan to the Board for final approval to submit to TWC.

Motion: Tyane Dietz made the motion to accept the modified Strategic Plan as presented.

Second: Gene Lee  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

**F. Action Item 23-08 Staffing Plan Proposal**

The Board approved 19 full time employees (FTEs) in the FY'23 budget to perform and carry out the job responsibilities to fulfill the mission and goals of the organization. Currently, the Board is staffed with 17 FTEs and requested the following proposal to reallocate staffing to meet the needs contingent upon creating a high-performing Board. The two (2) positions vacant are Child Care Business Services Specialist (CCBSS) and Accountant. Board staff requested to reallocate the CCBSS position to an Executive Administrative Assistant position. Mr. Durand noted the exceptional productivity and outreach results by one (1) CCBSS, therefore, a second specialist is not needed. The increase in requirements of Fraud Investigation, Equal Opportunity, Policy/Planning, and Procurements has required full-time attention. As a result, Board staff wish

to transition the office admin duties from the Policy/Planner to the Executive Administrative Assistant. Based on the most recent financial report (January 2023) the Board is projecting to be under budget in salaries, \$142,509, and total personnel, \$216,733. The reallocation of the position does not increase the number of FTEs or increase the budget for personnel. The Executive Administrative Assistant will be a full-time, non-exempt position reporting directly to the Executive Director with responsibilities of assisting all Board staff in areas such as travel arrangements, board meetings, social media platforms and websites, and other general office duties as assigned.

Motion: James Gentry made the motion to approve the staffing plan proposal as presented.  
Second: Gene Lee  
In Favor: All  
Oppose: None  
Abstain: None  
Motion: Passes

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

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

**A. Financial Reports for December 2022 and January 2023**

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

Finance Director, Misty Woodard, provided financial updates for December 2022 and January 2023. Ms. Woodard referenced the variance narrative. Ms. Woodard reviewed the Contracts Outstanding report, stating no concerns.

**VII. Discussion of issues to be brought before the Committee**

Mr. Durand mentioned he has attended the first part of the National Association of Workforce Boards (NAWB) Boot Camp. Mr. Durand highlighted one discussion from the Boot Camp: a successful, high-performing board utilizes grants outside of WIOA, in which the Deep East Texas Local Workforce Development Board is currently doing.

**VIII. Adjourn**

Robert Fitzpatrick adjourned the Executive/Finance Committee Meeting at 2:12 p.m.

Duly passed and approved on this 9<sup>th</sup> day of May 2023

Kelli Marshall  
Kelli Marshall, Chair

Attest

Lauren Phipps  
Lauren Phipps, Planning and Policy Specialist