

**Workforce Solutions Deep East Texas
Board Meeting Minutes
415 S. First Street, Suite 110B, Lufkin, TX 75901
May 14, 2024**

I. VICE-CHAIR ELLEN MILLS CALLED THE BOARD MEETING TO ORDER AT 2:36 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, MS. MILLS CONFIRMED THAT A QUORUM WAS PRESENT:

Members Present: Joe Clyde Adams, Kerry Ballast, Lisa Balty, Rebekah Burkhalter, Ashley Courtney, Tyane Dietz, Tim Ditoro, Phyllis Grandgeorge, Eddie Hopkins, Garvey Jackson, Kotosha Jeffery, Melody Jenkins, Dan Kern, Gene Lee, Quincy Martindale, Robert McLeod, Ellen Mills, Benjamin Mott, Marisa Phillips, Rich Scott, John Allen Slocomb, John White

Members Absent: Anita Humphreys, Matthew Lowery, Kelli Marshall, Randy Roberts, Jessica Rogers

Board Staff Present: Mark Durand, Jeff Eichman, Dara Harmon, Debb Homman, Maribel Soto-Mendoza, Karen Stubblefield

Visitors: Scott Amey, Michelle Blanchard, LaTreaser 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 – March 12, 2024

Motion: Garvey Jackson made the motion to approve the minutes as presented.

Second: Joe Clyde Adams

In Favor: All
Oppose: None
Abstain: None
Motion: Passes

IV. Board Members Comments on Activity in their Respective Areas

Lisa Balty reported that Shipley's Donuts in Nacogdoches has closed. Stephen F. Austin State University (SFA) is re-establishing its presence in the professional and continuing education space by hiring a Director of Career and Professional Development. Tim Ditoro reported that Angelina College is implementing two new degree programs this fall - Social Work and Software Development. The Police Academy program will be offered as an associate's degree.

V. Executive Director's Report

A. Contracts/Agreements

The Board entered into a contract with NacSpace for development of Tri-Agency website. Memorandums of Understanding (MOU) between the Board, employers and ISDs are being developed for the Teacher Externship coming up.

B. Performance

Child Care:

From October through March 2024 the YTD target is 2,683 average/day and current enrollment is 2,638 for 98.32%. The February MTD actual average was 2,707 (100.89% of target). Plans are to increase the enrollment to 105% to anticipate the lower summer averages and those who suspend care. There were 5 child care providers that were affected by the floods. One licensed home provider's home was destroyed affecting 4 children and the other 4 providers were temporarily closed, affecting 60 children. We are working closely with these centers to provide assistance. The Board hosted Family Engagement Day in April that was attended by approximately 200 visitors.

Workforce:

The Board has been placed on a Technical Assistance Plan (TAP) for missing two end-of-year Workforce Innovation & Opportunity Act (WIOA) measurements. The Board and contractor have developed an action plan to address those measures. As of the March MPR both measures are being met and staff are monitoring closely.

Distinct Visitors to Centers (counted one time) was 5,712 through mid-year. There were 46 total individual training accounts (35 Adult, 8 Dislocated Workers, 3 Youth) and there were 43 customers enrolled in Work Experience Activities.

C. Contacts and Coordination Efforts

Attended the Grand Opening of the Brookshire Brothers in Huntington.

Four Board members and two board staff attended the National Association of Workforce Board Meeting (NAWB) in Washington D.C.

The Texas Association of Workforce Boards (TAWB) Conference was in Forney and was beneficial. They also got to tour the career and college school, known as The OC, which is 350,000 square feet and very similar to a college. Students are heavily involved in running more than 25 stores that are open to the public. They also have a beauty salon, automotive repair and a pre-k school.

D. Rules and Legislation Update

Mr. Durand mentioned various legislative items, some of which will directly affect the Board. TANF Final Rule still has not been published. It will provide strict guidelines for use of the TANF funds which will impact Career Coach, Job's Y'all, and Foster Youth Transition Centers.

HR 6655 includes a mandate directing 50% of WIOA Title I Adult and Dislocated worker funds to be spent on training. TAWB and Board members have drafted letters and sent to legislators explaining the impact it passed.

Supplemental Nutrition Assistance Program (SNAP) and Food & Nutrition Services (F&NS) are requesting that Boards service more customers. Workforce Contractor is developing an action plan to serve more customers and increase participation.

E. Funding

Will be discussed with the Monthly Financial Reports.

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

Mr. Durand reported the March 2024 unemployment rate of 4.9% decreased from the month prior, with the February 2024 rate being 5.3%.

The Texas Conference for Employers hosted by the Texas Workforce Commission (TWC) will be May 17 in Nacogdoches at the Fredonia Hotel.

VI. Committee Reports

A. Operations Committee

1. Committee Activity

Information and Briefing Items

a. Child Care Advisory Committee Report

TWC issued WD Letter 19-23 Local Child Care Committee Requirements which required the Board to appoint representatives to the local child care committee no later than February 29, 2024, or at the Board's first regularly scheduled Board meeting in the calendar year 2024. The committee met on January 25, 2024. The committee discussed rules and guidelines, responsibility to the Board, CCQ Expenditure Plan, current enrollment, Pre-K Partnerships and Texas Rising Star implementation procedures.

b. WIOA TAP Update

TWC placed the Board on a TAP for missing two (2) WIOA measures at the end of the Board Contract Year (BCY). The TAP will remain in place until performance is reported at the end of the BCY MPR in September 2024. If the Board meets the measures TWC will recommend the TAP be removed. The Board and contractor have developed strategies and actions to improve the performance to meet both measures by the end of the BCY. TWC will conduct monthly meetings with the Board to ensure progress is on track to meet the measures. As of February 2023, MPR the Board is meeting both measures. [Adult Median Earnings Q2 Post Exit - Goal \$7,700.00 vs Actual \$7,020.04; Youth Credential Rate - Goal 71.70% vs Actual 93.03%]

c. Career Exploration Report

In the third year, Career Coaches continue to provide students with information about educational opportunities, local labor market information, demand occupations, career information, and available workforce services to help them make sound career decisions after graduation and career pathways when entering high school.

B. Business Services Committee

1. Committee Activity

Information and Briefing Items

a. 2024 Teacher Externship

There are 15 teachers from 11 ISDs, representing 6 counties that are matched with 13 employers in high-demand industries. The Externship will be held the week of June 10-14, 2024.

2. Discussion/Possible Action

a. Action Item 24-11 Employer of the Year Awards

TWC has requested nominations to recognize the exceptional work of Texas private-sector employers that operate a business in the local workforce development area, and that are in good standing overall and, specifically, with the Texas Workforce Commission Tax department. The Board requested nominations in the categories of Small Employer, Large Employer, Veteran-Friendly, HireAbility and Local Employer of Excellence from the workforce contractor, Board members, economic developers, and chambers of commerce. The Business Services Committee based their nominations of the employers' use of WorkinTexas.com for job postings, the employers' partnership with Workforce Solutions

Deep East Texas (WSDet), and the employers' utilization of WSDet services. The Business Services Committee requests approval in the form of a motion for the following nominations:

Small Employer of the Year – Tri-County Community Action

Large Employer of the Year – NIBCO Inc.

Veteran-Friendly Employer of the Year – HOPE Community Medicine

HireAbility Employer of the Year – Lockheed Martin

Local Employer of Excellence – Portacool

Motion: The Business Services Committee requested approval of the Employer Awards nominations as presented.

Second: Quincy Martindale

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

C. Executive/Finance Committee

1. Committee Activity

Information and Briefing Items

a. Rural Training Lab Report

TWC has dedicated WIOA funds to address skills gaps and industry needs in rural areas of Texas. Workforce Boards can apply for up to \$250,000 for a grant period up to 18 months to establish and fund training labs that are designed as short-term, turnkey training opportunities created by the Local Workforce Board in partnership with local governments and approved training providers. The Board utilized the Tri-Agency Regional Convener Asset Map and Gap Analysis and other sources to identify the need and support of a Rural Training Lab in Polk County. An initial meeting was held with Polk County Judge, Sydney Murphy and Polk County Higher Education Foundation Board member, Garvey Jackson, to discuss the grant and need of Polk County. The Board hosted a round-table-meeting with Polk County, Lamar Colleges, and health care industry administrators to develop a plan. The employers included two ambulance services and CHI St. Luke's Memorial Hospital (Livingston). The employers supported the initiative and expressed the need for EMT's in the region. The ambulance services have current job openings in Livingston and other locations within the region.

The Board's Career Coach is currently providing Career Exploration workshops for six (6) ISDs and interest from two (2) additional ISDs within the four (4) counties that will be served at the Rural Training Lab. Lamar will provide instructors, recruitment/enrollment of students, and curriculum. Lamar is also willing to partner with other training institutions at the PCCC. Lamar is interested in partnering with the employers to obtain adjunct professors. The Board will be the fiscal agent. Responsibilities include: procurement of equipment, WIOA basic eligibility determination, and inventory controls of property purchased through the grant. Equipment purchase will include ambulance simulator, and all supplies needed for the classes. The equipment will be the property of the Boards until the value decreases to zero and then the equipment will be transferred to the ownership of the Polk County Higher Education Foundation. The Board has sent the MOU to Judge Murphy and Lamar for approval and signatures.

b. Tri-Agency Regional Convener Report

SPEAR team members, led by Jeff Eichman, are currently working on the draft Strategic Plan, which will include the regional vision, long-term goals, and key metrics that will be utilized to measure progress of the goals. The draft Strategic Plan is due to be uploaded into the Tri-Agency Regional Convener Canvas portal by May 31, 2024. To read the Executive Summary from the Asset Map and Gap Analysis, please visit <https://bit.ly/3UwOgGK>.

The information shared throughout the Workforce Solutions Deep East Texas (WSDet) Asset Map and Gap Analysis, was obtained from multiple online and regional data sources. One

hundred percent of the Deep East Texas secondary schools offer a minimum of three complete CTE programs of study to their students. However, 4 out of the 16 targeted occupations only have one or two schools offering an aligned CTE program of study. Fifty-three out of the region's fifty-four school districts currently offer their students the opportunity to earn an Industry Based Certification (IBC) that is aligned with our targeted occupations. All 54 secondary schools have a completed MOU for Dual Credit college course enrollments with a community college, junior college, or a four-year Institute of Higher Education (IHE). Research noted that 14 out of the 16 targeted occupations provide secondary students with the opportunity to further their career-knowledge by participating in a post-secondary certification training or degree obtainment. Throughout the Asset Map and Gap Analysis research process, it was revealed that many strengths exist within the Deep East Texas region. Our region supports numerous educational pathways that provide high school students and college graduates with the opportunity to expand their career-focused knowledge, so that they can be gainfully employed in targeted occupations. However, this process also revealed that there are several areas for improvement throughout the region. One area of improvement is communication among all stakeholders. Another area for improvement is the lack of internships and apprenticeship opportunities, as well as the lack of these opportunities being readily advertised. Another area for improvement is to expand the community and technical college post-secondary educational opportunities within the region. Limited high school exposure to some of the targeted occupations indicates the opportunity for increased cross-district collaboration. The areas of improvement mentioned above help to create gaps within the targeted occupations and the corresponding educational pathways.

As they move into the strategic planning phase, one of their recommendations will be to enhance regional communications between stakeholders by organizing regional convenings to review the Asset Map and Gap Analysis and to facilitate plans of action. The feedback can be utilized to help create a communication/collaboration hub, training units that align with targeted occupation and programs of study.

2. Discussion/Possible Action

a. Action Item 24-12 TWC Audit Resolution Report #23.17.001

TWC conducted their annual monitoring March 20-24, 2023, and identified three (3) findings in report #23.17.001. The scope of the review was for the period January 1, 2022, through December 31, 2022. The Board submitted corrective action information to TWC Audit Resolution to resolve the findings.

Finding: Ensure Procurements are Properly Conducted and Documented. The Board's janitorial contract for the Shelby County Workforce Center was amended to include the additional square footage of the new workforce center procurement. Due to the increase in square footage the monthly cost for janitorial services increased. TWC noted that the Board did not adhere to procurement requirements.

Resolution: The Board procured the janitorial services and provided TWC documentation. The Board has also implemented internal controls to track contracts, procurements, and MOUs to identify expiring agreements. The Board provided a procurement checklist along with training documentation for recent procurement training and workshops attended by staff. The corrective actions taken are sufficient to resolve finding.

Finding: Strengthen Controls Over Bank Reconciliations. It was determined that the Board did not have adequate internal controls over the bank reconciliation function. Reconciliations were not dated and signed by reviewers. Additionally, the Board's policy did not specify the required timeframe for completing the reconciliations.

Resolution: The Board revised procedures for bank reconciliations to ensure adequate controls are in place to ensure bank reconciliations are performed timely and appropriate signatures and dates are documented. The corrective actions taken are sufficient to resolve finding.

Finding: Ensure Non-Custodial Parent (NCP) Program Requirements are met: The Board did not notify Office Attorney of General (OAG) of non-compliance of participants timely. Counselor notes in TWIST and COLTS did not match.

Resolution: The Board conducted and follow-up review with external monitor Diaz, Smith, and Associates to review 100% of cases in November 2023-January 2024, which resulted in zero errors. The workforce contractor has provided training to staff, and the Board and contractor will continue internal monitoring of case files.

The corrective actions taken are sufficient to resolve finding.

Motion: The Executive/Finance Committee recommended acceptance of the report as presented.

Second: Garvey Jackson

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

b. Action Item 24-13 Fraud Policy Update

On April 26, 2024, TWC issued Fraud Deterrence and Compliance Monitoring (FDCM) Letter 01-24, which provides updated information on processes regarding reporting and conducting fact-finding for suspected fraud, waste, theft, program abuse, and recovery of improper payments in the TWC child care program.

There is no local flexibility regarding any of the procedures outlined in FDCM Letter 01-24. As a result, the Board: Rescinds its Fraud Policy and Procedures, last updated 02/08/2022; and Adopts FDCM Letter 01-24 in its entirety. The guidance in FDCM Letter 01-24 replaces previous guidance in WD Letter 21-16, Change 3 *as it pertains to child care only*. For processes regarding reporting and conducting fact-finding for suspected fraud, waste, theft, program abuse, and recovery of improper payments for *all other programs*, the Board shall follow WD Letter 21-16, Change 3.

Motion: The Executive/Finance Committee recommended for acceptance of the updated guidance as presented.

Second: Tyane Dietz

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

c. Action Item 24-14 Proposal Selection for Nacogdoches County Workforce Center Lease Space

The Board issued a Request for Proposal (RFP) soliciting proposals for lease space for the Nacogdoches County Workforce Center February 22, 2024. The RFP outlined specific facility requirements of square footage; location to ensure customer accessibility, parking availability and building requirements of city, county, and state ordinances. The current lease expires August 31, 2024.

The Board received one proposal. This proposal was submitted by Sharon Blacklock with The Right Place. Ms. Blacklock is the landlord for the current workforce center location at 235 N. University Drive, Nacogdoches, Texas 75961. The proposal was evaluated to ensure its minimum required score of 70 (average score 81). Currently the Board pays \$5,051.20 rent and \$100 maintenance for a total monthly payment of \$5,151.20 (\$0.90 per square foot). The proposed cost for rent totals \$6,293.67 per month. The lease rate will be allocated by usage between workforce, child care, vocational rehabilitation, and employment services. Recommendation was to allow Executive Director to secure lease agreement with The Right Place for five (5) years with a five-year renewal option not to exceed 10 years in the amount

of \$6,293.67 per month for the Nacogdoches County Workforce Center. All the Board's leases have a clause to renegotiate leases if the Board's funding is reduced by 15% or more.

Motion: The Executive/Finance Committee recommended for approval of the proposal selection as presented.

Second: Quincy Martindale

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

3. Discussion and Acceptance of Financial Reports

a. Financial Reports for February and March 2024

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

Finance Director, Maribel Soto-Mendoza, provided financial updates for February and March of 2024. Mr. Durand reviewed the Contracts Outstanding report, stating no concerns.

VII. Adjourn

Ellen Mills adjourned the Board Meeting at 3:40 p.m.

Duly passed and approved on this 25 day of June 2024

Kelli Marshall
Kelli Marshall, Chair

Attest

Dara Harmon

Dara Harmon, Exec. Administrative Assistant