

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

**I. VICE-CHAIR ELLEN MILLS CALLED THE EXECUTIVE/FINANCE COMMITTEE MEETING TO ORDER AT 1:01 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, Lisa Balty, Tyane Dietz, Tim Ditoro, Eddie Hopkins, Garvey Jackson, Kotosha Jeffery, Gene Lee, Ellen Mills

**Members Absent:** Kelli Marshall, John Allen Slocomb

**Board Staff Present:** Mark Durand, Jeff Eichman, Dara Harmon, Lauren Phipps

**Visitors:** LaTreaser Cartwright, Rhonda Cartwright, Paul Dunn

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

Ms. Mills asked that all members sign a conflict of interest declaration and submit the form to Board Staff.

**WELCOME OF GUESTS:**

None.

**II. Public Comments**

None.

**III. Discussion/Action: Approval of Minutes – March 12, 2024**

Motion: Tyane Dietz made the motion to approve the minutes as presented.

Second: Garvey Jackson

In Favor: All

Oppose: None

Abstain: None

Motion: Passes



#### **IV. Information and Briefing Items**

##### **A. Rural Training Lab Report**

The Texas Workforce Commission (TWC) has dedicated Workforce Innovation & Opportunity Act (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 Development 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 in Polk County. The Board hosted a roundtable meeting with Polk County, Lamar Colleges, and health care industry administrators to develop a plan. The employers included two ambulance services and St. Luke's Health Memorial (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 Board's property 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 Memorandum of Understanding (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 (3) complete Career & Technical Education (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.

## **V. Discussion and 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 timely notify Office of the Attorney General (OAG) of non-compliance of participants. Counselor notes in TWIST and COLTS did not match.

Resolution: The Board conducted a 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: Garvey Jackson made the motion to accept the report and resolutions as presented.

Second: Joe Clyde Adams

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: Tyane Dietz made the motion to accept the updated policy as presented.

Second: Joe Clyde Adams

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: Gene Lee made the motion to accept the proposal as presented.

Second: Garvey Jackson

In Favor: All

Oppose: None

Abstain: None

Motion: Passes

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

None.

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

**A. Financial Reports for February and March 2024**

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

Maribel Soto-Mendoza, CFO, provided financial updates for February and March of 2024.

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

None.

**VIII. Adjourn**



Ellen Mills adjourned the Executive/Finance Committee Meeting at 2:30 p.m.

Duly passed and approved on this 25 day of June 2024

Attest



*Dara Harmon, Exec. Administrative Assistant*



*Kelli Marshall, Chair*