

**CareerSource Pinellas
Board of Directors minutes**

Date: June 27, 2018 at 11:45 a.m.
Location: EpiCenter: 13805 58th Street N. Clearwater, FL 33760

Call to Order

Chair Jack Geller called the meeting to order at 11:45 a.m. There was a quorum present with the following board members participating.

Board Members in attendance

William Apple, Jody Armstrong, Dr. Robert Arnold (phone), Candida Duff, Celeste Fernandez, David Fetkenher, David Fries (phone), Jack Geller, Commissioner Patricia Gerard, Michael Gliner, Barclay Harless, John Howell, Mark Hunt, Michael Jalazo, Jack Jarrell (phone), Carolyn King (phone), Samuel Kolapo, Kelly Kirschner, Adrian LaTrace, Dr. William Law, Karla Leavelle (phone), Russell Leggette, Michael Meidel, Lenné Nicklaus (phone), William Price, Chad Simpson, Zachary White

Board Members not in attendance

Kyle Barr, Tom Bedwell, Lounell Britt, Scott Callison, Andrea Henning, Kim Marston, Michael Mikurak, Debbie Passerini

Board Counsel

Charles Harris

Guests

Richard Powell- Powell & Jones CPA
Kenneth Williams – onboarding board member
Stacey Swank – Pinellas County Economic Development
Whitney Creech – Pinellas County
Zachary Sampson and Mark Puente – Tampa Bay Times

Staff in attendance

Jennifer Brackney, Alice Cobb, Donald Shepherd, Sheila Doyle, Anna Munro, Jody Toner, Luna Clarke, Linsey Stiglic, Joseph Calhoun, Steven Blakey, Brandon Pham.

Presentation

Carwise Middle School's presentation addressed how it used its funding from the CareerSource Pinellas "Teach for Excellence" grant to implement a more engaging, video production STEM course for its students.

Action Item 1 – Approval of Minutes

The minutes of the March 27, 2018 Board of Directors meeting were presented for approval.

Motion: Patricia Gerard

Second: John Howell

The minutes were approved as presented. This motion carried.

Action Item 2 - Revised Local Workforce Services Plan

Background: On January 4, 2018, DEO issued a directive to all Workforce Boards to submit a two-year modification to the 2016 – 2020 Local Workforce Services Plan. CareerSource Pinellas requested and was granted an extension for submittal. The modification was reviewed and approved at the March 7, 2018 Executive Committee reviewed by the Local Workforce Development Board and approved on April 10, 2018 by the Board of County Commissioners. The modification was submitted on April 12, 2018. The Department of Economic Opportunity reviewed the plans and provided feedback to all 24 local areas. Per DEO guidance, additional clarification was included in the plan, highlighted in yellow. (The plan was distributed as an attachment). DEO requested that the revised plans be submitted by May 31, 2018 with the understanding of a future board approval by the LWDBs and Board of County Commissioners. As requested, CareerSource Pinellas’ edited plan was resubmitted on May 31, 2018. DEO requested more clarification and those edits were submitted on June 14, 2018.

Motion: Adrian LaTrace

Second: Patricia Gerard

The Board of Directors approves the revisions made to the 2016-2020 Local Workforce Services Plan: Two-Year Modification for LWDB 14. This motion carried.

Action Item 3 - 2018 – 2019 Board Officers

WorkNet Pinellas, Inc. dba CareerSource Pinellas, Bylaws, Board Officers and Committees, Section 1 and 3 states: SECTION 1 – Election of Officers: The Chair, Chair Elect, Treasurer, and Secretary of the CareerSource Pinellas Board shall be elected as follows: A. The slate of Officers shall be recommended to the CareerSource Pinellas Board of Directors by the Ad-Hoc Nominating Committee and selected based upon a majority vote of the quorum present at the annual meeting at which the slate is presented. B. The annual meeting at which the slate of Officers shall be elected shall take place in June or on a date as otherwise set by the Board, and the Officers shall take office in July. C. the CareerSource Pinellas Chair, Chair Elect and Treasurer shall be selected from among the representatives of the private sector Board members. SECTION 3 – Terms of Office: The term of office for the Chair, Chair Elect, Secretary and Treasurer of CareerSource Pinellas shall be for one (1) year, from July 1 through June 30. CareerSource Pinellas Officers may serve two consecutive terms of one year each in the same office, if re-elected, provided that the time in office does not exceed the limits of their term of membership on the Board. After two consecutive terms, the Officer shall then step down from their position for a minimum of one year, although they may continue to serve as CareerSource Pinellas Board members, or in other offices. The Vice Chair is not subject to the Officer term limits specified herein.

Officers	2017– 2018 Board Officers	2018 – 2019 Nominees
Chair	Jack Geller (replaced previous chair 02/2018)	Jack Geller
Chair Elect	Michael Mikurak (elected by Board 03/2018)	Karla Leavelle
Treasurer	Dr. Robert Arnold *	David Fetkenher
Secretary	Karla Leavelle *	Michael Meidel

**indicates the officer has served 2 consecutive terms in the same office.*

Motion: William Price

Second: Patricia Gerard

The Board of Directors approves the Nominating Committee’s recommendations of the 2018-2019 Board Officers nominees to the full Board of Directors. This motion carried.

Action Item 4 – RFP Issuance: One Stop Operator

Per guidance from the United States Department of Labor (USDOL), the One Stop Operator RFP is being reissued to ensure that a competitive process for bids has been followed. For the purpose of this RFP, One Stop Operator is defined as an entity that will coordinate the delivery of participating One Stop partners and service providers. Scope of Services: establish and/or maintain linkages between all one-stop partners designated by CareerSource Pinellas to improve communication, referral, service delivery, and tracking of performance of the partners; coordinate and hold at least quarterly meetings with all one-stop partners designated by CareerSource Pinellas; assist CareerSource Pinellas in the identification of appropriate clauses for all Memorandum of Understanding with all one-stop partners designated by CareerSource Pinellas as it relates to sharing of information, reporting of performance and tracking of customers; establish a MOU database to easily track organizational involvement and expiration dates of the MOU; manage CareerSource Pinellas's partnership efforts with the State of Florida required partners such as Blind Services; facilitate and encourage participating one-stop partners to use the principles of universal design in their operations to ensure customer access; disclose any potential conflicts of interest arising from the relationship of the One-Stop Operator with particular training service providers or other service providers; establish practices that encourage the One-Stop partners to provide services to individuals with barriers to employment, including individuals with disabilities, who may require longer-term services, such as intensive employment, training, and education services; comply with Federal regulations, and procurement policies, relating to the calculation and use of profits; working with CareerSource Pinellas and applicable state agencies, create a strategic plan to integrate the intake, case management, and reporting of the one-stop partners; and manage, track, and oversee CareerSource Pinellas's Customer Satisfaction initiatives.

Motion: Patricia Gerard

Second: Jody Armstrong

The Board of Directors approves the issuance of the One Stop Operator RFP. The Board also approves the recommendation that the contract with the current One-Stop Operator CTS be extended for one additional quarter, to allow for a longer response time for the RFP issuance. This motion carried.

Action Item 5 –Science Center

Effective December 12, 2014, a business loan was obtained for the principal amount of \$700,000 with an interest at a rate of 4.650% per annum based on a year of 360 days. The proceeds of the loan were used to pay-off the remaining principal and interest of the mortgage payable existing at June 30, 2014. The payment terms require 59 regular payments of \$4,511 each and one irregular payment of \$585,710. The final payment will be due on December 10, 2019, and will be for all principal and all accrued interest not yet paid. 2014 Appraisal: The Science Center was appraised in 2014 for \$2.3M. The anticipated value is estimated to be higher today. Refinancing: The following options are available to refinance the current loan maturing December 2019 based on monthly payment of principal balance of \$625,000: 15 year fixed rate/15 year amortization – 5.19% – monthly payment = \$5,004.54; 10 year fixed rate/10 year amortization – 4.99% – monthly payment = \$6,626.04; 10 year fixed rate/20 year amortization – 5.39% – monthly payment = \$4,260.56; or 5 year fixed rate/20 year amortization – 4.99% – monthly payment = \$4,121.27. Lease Comparison: The Organization also looked into the square footage cost of commercial property in the St. Petersburg area with comparable square footage and noted the price per sq. ft. ranged from \$9 to \$33 as follows: Address: 200 Central Avenue, St Pete FL 33701. SF available: 2,043-30,416. \$27 - \$33 per sq. ft.; Address: 300 Carillon Pkwy, St. Pete FL 33716. SF available: 25,000 – 500,000. \$33 per sq. ft.; Address: 11100 Roosevelt Blvd, St. Pete FL 33716. SF available: 20,000 – 80,000. \$32 per sq. ft.; Address: 11500 Dr Martin Luther King Jr. St. N, St. Pete FL 33716. SF available: 5,970 – 32,829. \$9 per sq. ft.; Address: 9720 Executive Center Dr. N, St. Pete FL, 33702, SF available: 15,269 –

30,539. \$20 - \$25 per sq. ft.; and Address: 490 1st Ave S, St Pete, FL 33701, SF available: 1,815 – 71,482. \$27 - \$28 per sq. ft. Capital Improvements: tbd . 2018 Appraisal: tbd

Discussion occurred between members in regards to the specific duties of the appraiser and who would choose the appraiser. It was clarified that the Board would determine the appraiser based on a pre-approved list given from a financial institution. This appraiser would be paid from grant funding as well as unrestricted funds. There was a consensus from all members that more information from a commercial realtor will be necessary. Board members requested more information on topics such as developing a 10 year plan for the Science Center; identifying any selling restrictions and pre-existing covenants; identifying alternative spaces for program use; and determining any relocation cost.

Motion: Patricia Gerard

Second: Kelly Kirschner/ Barclay Harless

The Board of Directors approves the recommendation to hire a building inspector to conduct an inspection of the Science Center to identify any capital improvements needed within the next 5-10 years. This motion carried.

Discussion Item 6 - Transition Update and Management Shared Services Plan

-Ms. Jennifer Brackney gave an update regarding the transition. All CSTB Staff will be issued WARN notices at the end of the week, with an effective date of August 31, 2018, regarding their upcoming job termination. A minimal number of employees will be impacted on the Pinellas side, as we move forward and align the Business Services team with the area's recruitment needs.

-Board Counsel Charles Harris explained WARN Act implementation and sharing resources between CareerSource Tampa Bay and CareerSource Pinellas; he recommended a continuation of the transition period as to adequately address property rights, litigation and insurance policies. Harris affirmed that Board member presence may be necessary if there began to be challenges with the transition; at this time, he noted that there were none and suggested to continue mediation as planned. The Chair suggested formally re-signing an agreement between the two CareerSource branches that explicitly identifies responsibilities and procedures for this transition period. Request to add as an agenda item for next month's Board meeting. Additional comments were made to more clearly establish CareerSource Pinellas' role in the transition.

Action Item 7 - Transition Extension Request from CSTB

We are continuing our efforts to work with CSTB to transition to operate as a stand-alone entity. Juditte Dorcy (CSTB Interim Executive Director) Kenneth Jones, (Hillsborough County Representative) and Jennifer Brackney (CSPIN Interim Executive Director) are meeting on a weekly basis to update the transition plan, identify issues and concerns, keep lines of communication open and to ensure a smooth transition for staff and customers. A request was sent to CSTB to submit their commitment and intentions, as it relates to the transition. 1. Based on the action taken at the May 3, 2018 meeting of the CareerSource Tampa Bay Executive Committee to split from CareerSource Pinellas effective June 30, 2018 the employer of record relationship between the two entities will cease to exist on that date unless both parties agree to extend that designation. This decision was outlined in the consent agenda sent to all CareerSource Tampa Bay Board members and was not pulled for discussion at the full board meeting. 2. CareerSource Pinellas, as the current employer of record, may be required to issue a WARN notice on or around July 1, 2018 to the State of Florida. 3. There are many decisions pending that will need to be finalized in the very near future to ensure a successful separation of the two organizations. Those include, but are not limited to, the handling of current accrued leave balances, 401(k) plan account balances, copies of personnel files, future impact on UC rates due to the number of staff who file for unemployment

if laid off, staffing plans, the cost of future EEOC complaints or lawsuits by ex-employees, etc. As we approach the beginning of the new program year, we will minimize the impact of shared staff, especially in the areas of business services, program operations, and MIS. This item was tabled at the 6/6/18 Executive Committee and requested to be discussed at Board of Directors meeting June 27, 2018. There were request for specific stipulations to be added which would address which company will be liable for absorbing litigations resulting from potential layoffs and unemployment claims. The Committee recommended enlisting Board's counsel in this matter.

Motion: Patricia Gerard

Second: Celeste Fernandez

The Board of Directors approves the recommendation from CSTB to extend the transition deadline from July 1, 2018 to September 1, 2018. This motion carried.

Discussion Item 8 – Internal Controls Audit

There was a presentation made by Powell & Jones CPAs. Discussion was held in reference to the internal controls audit that was recently conducted. The following sections were highlighted:

-Part 3: Business Services Incentive Pay. Auditor noted that the guidelines governing this program were changed in August 2017. It was also noted that during that time, the BS Director exercised the prerogative to approve an incentive payment to certain staff, which was higher than the amount calculated by the standard. Interim Director confirmed that the entire incentive process is under review and confirmed that the Compensation Committee approved this action in April and authorized the continued use of Business Services incentives, until such time that the salary of the staff affected be reviewed and adjusted accordingly.

- Part 7: Supportive Service Cards; it was made clear that this practice is no longer being implemented. The auditor's findings recommend that since the cards are essentially considered cash, it is recommended to discontinue the practice of mailing them.

- Part 9: Visa Cards for Staff and Others. Concerns were raised that there is a discrepancy between the auditor's report and press articles in regards to the Visa card process. Discussion ensued among the board members about the various findings, and how to rectify the various issues moving forward.

Other Administrative Matters

There were no administrative matters.

Information Items

Information Item 1: One Stop Lease Agreement CareerSource Pinellas Center in St. Petersburg aka South County: The premise located at 3420 8th Avenue South, St Petersburg, Florida has been leased from the School Board of Pinellas County, Florida (lessor) to operate a One Stop Center known as the CareerSource Pinellas Center in St. Petersburg. Leased space totals 11,025 square feet at a cost \$11.25 per square feet. Rent includes utilities and custodial services during the lessor's normal business hours. The current lease ended in May, however, until a new lease is signed we can continue to lease on a month-to-month basis. The Organization requests to enter into contract with the lessor to rent the premises for another 5-year period with an option to extend the lease for an additional three year period. There is an early termination clause located on page 25 of the agreement: "in addition, either party may terminate this lease, without cause upon 180 days written notice." On June 6, 2018, the Executive Committee recommended approval to enter into contract with the School Board of Pinellas County, Florida to continue leasing the premises located at 3420 8th Avenue South, St Petersburg, Florida. The motion carried. This item is also included in the enclosed consent agenda.

Information Items 2 and 3: Consent Agendas

The consent agendas of the May 2, 2018 Executive Committee meeting and the June 6, 2018 Executive Committee meetings were presented as Information Items 2 and 3, respectively. There was no further discussion in regards to the agendas.

Information Item 4: Monitoring Update

The Department of Economic Opportunity (DEO) conducted an internal review of management and operational process. A copy of the exit summary was included in the agenda packet to all board members. The review did not reveal any major findings or noncompliance issues. The DEO made recommendations to address the observations they've made.

Information Item 5: Financial Update for period ended May 31, 2018

The Financial report summary for period ended May 31, 2018 was presented to the board. CareerSource Pinellas has expended about 70% of its budget.

Committee Reports

1. Audit Committee: The audit firm Powell and Jones has conducted a review of internal controls and procedures during the month of May. The final document was presented today during the board meeting.
2. Finance Committee: The Finance Committee last met on May 29, 2018. The items discussed were Florida Business Tax Application, the Science Center Loan update and the Financial update for the period ending April 30, 2018
3. One-Stop Committee: The One Stop Committee met on May 17th at the Epicenter at 9 a.m. This was the exciting One Stop meeting of the year, where annual presentations are held from the "Teach for Excellence" 2017-2018 grantee winners. The program is done in partnership with the Pinellas Education Foundation and the Pinellas County Schools. The committee was able to see STEM in action, as the Career Education grant recipients presented a wide range of creative and innovative projects. The 6 schools who presented their projects showed how this year's winners use their grant dollars and the positive impact on their students. Grant awards are up to \$5,000. Carwise Middle School was one of the recipients and presented at today's meeting. The next One Stop Committee meeting is scheduled for **August 23, 2018**
4. Workforce Solutions Committee: The Workforce Solutions Committee meeting met on May 16th at the Epicenter at 2:30 p.m. The committee reviewed and approved two actions items; approval of previous minutes and the approval of a new training vendor's application from Computer Coach Training Solutions to become a CSPIN approved training provider. Both action items were approved. The committee proceeded to review committee goals and YTD training provider performance through March 31st. The next Committee meeting is scheduled for **August 7, 2018**.
5. Science Center Committee: The Science Center Committee met on **Friday, June 1st** at 11 am at the Epicenter. Some highlights from this meeting are: **Let's Pave the Way - Science Center Parking Lot Beautification**: Stop by and see the new facelift to the Science Center completed through a capitalization grant award from the Juvenile Welfare Board, JWB funding supported repaving the parking lot and restriping lines. The \$38,000 renovation also included the non-paved parking lot inside the back fence used by staff and vendors. Work was completed on May 15th prior to the start of the Summer Camp 2018. **Summer Camp 2018**: Summer camp kicked off with a bang on May 29th and will run thru August 18th. We have had close to 200 students in attendance during the first 4 weeks of Summer Camp. To date, nearly 500 youth have reserved a seat for Summer Camp. A great menu of camp activities and STEM events are on deck for the summer. Recruitment and seating continues with any interested parents still invited to go online to register at our Science Center website or contact us directly.

Interim Director's Report

Ms. Jennifer Brackney waived her report for this meeting.

Public Comments

Mark Puente and Zachary Sampson asked questions to the Board Members in regards to the specific dates the incentive card program was discontinued. Mark Puente also commented that his article was not "fake news" and that he had interviewed recipients of the incentive program before publishing his article. The Chair affirmed that public comments are just that and not an opportunity for a question and answer session.

Adjournment

The meeting was adjourned at approximately 1:43 p.m.