

## Board of Directors Agenda

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	<i>In accordance with the Sunshine Law, all meetings of WorkNet Pinellas, Inc. and its committees are open to the public. Members of the public who wish to comment must submit a public comment card to the recorder prior to the designated Public Comment segment.</i>		
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Board Orientation – July 18, 2018  
 Board of Directors – July 18, 2018  
 Finance Committee – July 24, 2018  
 Executive Committee – August 1, 2018

**CareerSource Pinellas  
Special Board of Directors minutes**

Date: March 27, 2018 at 10:00 a.m.  
Location: EpiCenter: 13805 58<sup>th</sup> Street N. Clearwater, FL 33760

**Call to Order**

Chair Jack Geller called the meeting to order at 10:00 a.m. There was a quorum present with the following board members participating.

**Board Members in attendance**

Kyle Barr, Tom Bedwell (phone), David Fetkenher, Jack Geller, Commissioner Patricia Gerard, John Howell, Jack Jarrell, Debra Johnson (phone), Kelly Kirschner (phone), Karla Leavelle, Kim Marston (phone), Mike Meidel, Mike Mikurak, Lenne Nicklaus, Debbie Passerini (phone).

**Board Members not in attendance**

Dr. Bob Arnold, Lounell Britt, Scott Callison, Celeste Fernandez, David Fries, Michael Grego, Sandy Ho, Carolyn King, Samuel Kolapo, Adrian Latrace, Russell Leggette, Bill Price, Mark Van Dame, Dr. Tonjua Williams.

**Board Counsel**

Charles Harris

**Guests**

Andrea Henning (for Dr. Williams) - St Pete College  
Marion Hale- Johnson Pope  
Edward Peachey  
Whitney Creech- Commissioner Gerard's Office  
Jewel White- County Attorney  
Mark Douglas- WFLA  
Mark Puente and Zachary Sampson- Tampa Bay Times

**Staff in attendance**

Jennifer Brackney, Luna Clarke, Joseph Calhoun

**Public Comments**

Mr. Peachey's attorney- Ms. Marion Hale- was permitted by the Chairman to speak to the Board prior the votes being taken. A summary of her comments are below:

- the 3/21/18 DEO letter which advises against the payment of a settlement to Mr. Peachey should not have any effect on the Board's decision, as it was understood that any settlement payment would be made out of private funds.

-Board Counsel previously stated that the Sheriff's signature was not forged

-though there are several ongoing investigations, it is not known when they will be completed.

**Action/Discussion Items**

**Action Item 1 – Approval of Minutes**

The minutes of the March 21, 2018 Board of Directors meeting were presented for approval.

Motion: Patricia Gerard

Second: Lenne Nicklaus

*The minutes were approved as presented. The motion carried.*

**Action Item 2 –Addressing the previous Determination to Pay Settlement**

During the March 21, 2018 Board of Directors meeting, a decision to pay a settlement to Mr. Edward Peachey – former President and CEO- was taken as follows:

Motion to pay Mr. Peachey a settlement equal to five months' pay and employee benefits, in return for a full release of all claims was brought to a vote.

Motion: Tom Bedwell

Second: Mike Mikurak / Lenne Nicklaus

*The motion carried with 9 affirmative votes – 6 dissention votes.*

- The afternoon of March 21, 2018, a letter from DEO's Executive Director—Ms. Cissy Proctor—was received by Chairman Geller and later distributed to the other board members. The letter states in part, the following: *“The CareerSource Pinellas Board should immediately reconsider agreeing to pay Mr. Peachey a severance package or a settlement, especially since multiple agencies are currently investigating troubling allegations. Furthermore, pending the outcome of these investigations, DEO will prohibit the use of state or federal funds for severance or settlement payment to Mr. Peachey.”*

The floor was then opened for discussion.

- After calculations, it was determined that the previous offer for settlement payment would be approximately \$47,000, the equivalent of five months' pay and employee benefits.
- Counsel confirms to Board members, that additionally to D&O liability insurance, CSPIN is obligated to tender a defense to Board members that are sued, according to the organization's By-Laws (Article XI-Section 1, CSPIN By-Laws); so long as such behavior is not criminal or illegal.
- Varied discussion regarding the type of funds that CareerSource would be permitted to use, in case of a settlement. Those funds would have to be from non-public or federal sources.
- The DEO letter makes it clear that they are not in favor of a payment for settlement, but this also opens up the door for possible litigation.

- Tom Bedwell: Motions to table the settlement motion indefinitely.  
**The motion dies for lack of a second.**
- **Motion to rescind the prior motion: “Re-Vote: Determination to pay settlement”, which was taken at the 3/21/2018 Board of Directors meeting.**

Motion: Jack Geller

Second: Patricia Gerard

*The Board of Directors rescinds the motion to pay a settlement to Mr. Edward Peachey. The motion carries with 12 affirmative votes- 3 dissention votes.*

#### **Other Administrative Matters**

- Board to possibly consider the option of a settlement offer put in escrow, with a time limit.
- Respond to Ms. Proctor's letter, confirming that Trenam is in fact the Board Counsel, and provide clarification about the funds available for use, in the event of a settlement.
- Coordinate an upcoming Compensation Committee meeting to discuss the compensation for the Interim Directors.
- Coordinate an Ad Hoc Committee meeting to discuss the future direction of the two regions, as it relates to shared services and staff, and conduct search for a replacement Executive Director.

#### **Public Comments**

None

#### **Adjournment**

The meeting was adjourned at approximately 10:54 a.m.



## **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. *(Please see plan handout)*

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 re-submitted on May 31, 2018. DEO requested more clarification and those edits were submitted on June 14, 2018.

#### **Recommendation**

Approval of the revisions made to the 2016-2020 Local Workforce Services Plan: Two-Year Modification for LWDB 14.



## Action Item 3 2018 – 2019 Board Officers

### INFORMATION

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.*

### RECOMMENDATION

The Nominating Committee recommends approval of the 2018 – 2019 Board Officers nominees to the full Board of Directors.



## **Action Item 4 – RFP Issuance: One Stop Operator**

### **Background**

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

### **Recommendation**

The Executive Committee recommended approval for issuing the One Stop Operator RFP with the stipulations that this is presented at the Board of Directors meeting June 27, 2018. The Committee also recommends 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.



**REQUEST FOR PROPOSAL  
One-Stop Operator Services**

**Issued June X, 2018  
RFP #: 18-0428**

DRAFT

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## INTRODUCTION

The vision for One-Stop career centers under the Workforce Innovation and Opportunity Act (WIOA) is characterized by providing excellent customer service to job seekers and employers, customer-centered service delivery, and continuous improvement. This vision is the foundation of the One-Stop Operator services being solicited through this Request for Proposal as CareerSource Pinellas strives to ensure quality services are delivered in the most efficient and effective way possible, through full integration and coordination of One-Stop career center partners and resources that support seamless service delivery.

WorkNet Pinellas, Inc. d/b/a CareerSource Pinellas is requesting Proposals from qualified contractors with the expertise to provide One-Stop Operator services as further specified herein. Parties interested in submitting a quote in response to this RFP should review this entire document, including the key information shown directly below.

## KEY INFORMATION

- Questions concerning this RFP must be submitted in writing by email to [RFP@careersourcepinellas.com](mailto:RFP@careersourcepinellas.com). Deadline for submitting questions is 5:00 p.m. EDT, June 13, 2018. Please reference RFP No. 18-0428 in the subject line. Answers will be posted on the CareerSource Pinellas website at [http://careersourcpinellas.com/rfps & bids](http://careersourcpinellas.com/rfps_&_bids) as soon as possible after the June 13th deadline.
- Sealed responses to this RFP must be submitted by no later than 2:00 p.m. EDT on June 21, 2018. The outside of the package should be marked "RFP 18-0428" and submitted to:

**CareerSource Pinellas  
One-Stop Operator Services  
Attention: Jennifer Brackney  
Interim Executive Director  
13805 58<sup>th</sup> Street N., Suite 2-140  
Clearwater, FL 33760**

- Any response, or portion thereof, received after the submittal deadline will be declared unresponsive and will not be considered.
- The official opening of the responses to this RFP will be held in the conference room at the address shown above on June 21, 2018 at 2:00 p.m. EDT.
- The anticipated effective date of a contract resulting from this RFP will be on or about July 1, 2018. This date is tentative and subject to the identification and selection of a qualified respondent.

## **A. BACKGROUND OF ORGANIZATION**

WorkNet Pinellas, Inc. d/b/a CareerSource Pinellas is a 501(c)(3) non-profit organization. The CareerSource Pinellas Board is appointed and designated by the Pinellas County Board of County Commissioners to act as the Pinellas County Local Area Workforce Board under provisions of the Workforce Innovation and Opportunity Act (WIOA) of 2014. CareerSource Pinellas has requested and received certification as the Local Workforce Development Board by CareerSource Florida, Florida's State Workforce Development Board. This public-private partnership supports and promotes economic growth through workforce development. CareerSource Pinellas is one (Region 14) of twenty-four local workforce development boards in Florida.

The Board of CareerSource Pinellas is comprised of representatives of businesses in Pinellas County, local educational entities, labor organizations, community-based organizations, economic development agencies, one-stop partners, and other individuals deemed appropriate. Membership composition requirements are reviewed and certified by the Governor of the State of Florida once every two years. Criteria for composition of the Board are set forth in Section 107, Title I of the Federal Workforce Innovation and Opportunity Act (WIOA) of 2014 and the State of Florida's policies. The Board of CareerSource Pinellas currently serves as the Administrative and Fiscal Agent for the region.

## **B. SCOPE OF SERVICE and FUNDING AVAILABLE**

### **1) Scope of Services**

CareerSource Pinellas is seeking a contractor with the expertise and an established track record for providing services required of a one-stop operator.

For purposes of this RFP, CareerSource Pinellas defines the basic role of a One-Stop Operator as an entity that will coordinate the service delivery of participating one-stop partners and service providers within the Career Centers of CareerSource Pinellas. This coordination shall, at a minimum, include the following responsibilities:

- 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.

CareerSource Pinellas has been approved to provide and will continue to provide direct career services as defined by the WIOA, sec.134(c)(2) and shown below. As a result, this RFP's Scope of Services does ***not*** include the One-Stop Operator providing training services or providing any of the following career services or information:

- Eligibility determination
- Outreach, intake, orientation
- Initial assessment of skills and support service needs
- Labor exchange services (job search and placement assistance and career counseling) and services to businesses
- Referrals and coordination with other programs
- Providing Labor Market Information
- Providing performance info and program cost info of training contractors
- Providing performance info on local WDB in regard to accountability measures
- Providing info on the availability of and referral to support services, SNAP, EITC, and TANF
- Providing info and assistance on filing claims for UC
- Providing assistance in establishing eligibility for financial aid for programs not funded through WIOA
- Providing services in order to obtain and retain employment, such as comprehensive assessment, IEP development, group and individual counseling, career planning, short term pre vocational services, internship and WE, work prep, financial literacy, out of area job search, ESOL, etc.
- Providing follow-up services.

CareerSource Pinellas projects that an entity selected as a One-Stop Operator as a result of this procurement will need to allocate at least 400 hours per year to deliver the services requested in this RFP.

## **2) Funding Available**

CareerSource Pinellas will make sufficient funding available from various sources to deliver the services requested in this RFP. CareerSource Pinellas does not anticipate the necessity of committing funding in excess of \$30,000 - \$40,000 per year. This amount is provided as a planning figure only and does not commit CareerSource Pinellas to award a contract for this amount. Funding during the contract period may be adjusted due to changes in funding received.

## C. CONTRACTOR QUALIFICATIONS AND REQUIREMENTS

Respondent must meet all of the minimum qualifications outlined below.

- Has provided services similar in nature and complexity for at least two years;
- Has contracted to provide services similar in nature and complexity, with at least one organization within the past three years. Performance of similar services as an employee does not fulfill this requirement; and
- Be licensed to conduct business in the State of Florida.

## D. GENERAL CONDITIONS

### 1) Response Due Date and Time

Each proposer is required to submit its response to this RFP no later than 2:00 p.m. EDT on June 21, 2018. The delivery of the response is solely and strictly the responsibility of the respondent.

**Responses received after 2:00 p.m. EDT on June 21, 2018 will be considered unresponsive and will not be considered.**

Only a fully responsive RFP will be considered. All conditions set forth in this RFP must be followed to be considered fully responsive. All responses must be manually and duly signed by an authorized corporate officer, principal, or partner (as applicable).

### 2) Response Content

Should your firm be interested in providing these one-stop operator services as described in the Scope of Services section within this RFP, please prepare a response to this RFP and include the following information in your response in the order presented below.

- a) Cover letter that includes a statement that the firm understands the scope of the services sought and a statement guaranteeing the price for the term of the contract. This cover letter must be signed by an individual with the authority to bind the firm to the response presented.
- b) Table of Contents
- c) Scope of Services. In this section respondent should explain its proposed approach to providing one-stop operator services.
- d) Appendix A – Organization Information
- e) Appendix B - Qualification and Requirements
- f) Appendix C – References
- g) License Information. Provide a copy of your State of Florida business license.
- h) Budget Information. Provide a total cost for the delivery of the services described in the Scope of Services section of this RFP as well as budget detail by line item. A for-profit entity submitting a proposal must present any proposed profit in a separately identifiable budget line item. Profit must be negotiated separately from costs to ensure it is fair and reasonable and is based on the contractor's efforts and risks in achieving the intended results.
- i) Other Information. Please include any additional information not already requested that your firm considers essential to your response. If there is no additional information to include, state, "There is no additional information our firm wishes to present."

### 3) RFP Timeline

<b>Solicitation Action</b>	<b>Date</b>
Issue RFP	June 6, 2018
Question & answer period	June 6, 2018 through 5:00 p.m. EDT, June 13, 2018, 2018
Responses to RFP Due	June 21, 2018
Evaluation of Responses	Begins on or about June 22, 2018 and will continue until completed
Negotiation with most qualified contractor responding	After review and approval by the Boards or one of the Committees
Contract begins	On or about July 1, 2018.

### 4) Who can submit a response

Any private-for-profit corporation, not-for-profit corporation, local education agency (with the exception of elementary or secondary schools), a governmental unit, or public agency properly organized in accordance with State and Federal law and in business for at least 3 years may submit a response. Minority and women-owned and operated businesses are encouraged to submit a response.

Responses will not be reviewed if (1) the respondent has been disbarred or suspended or otherwise determined to be ineligible to receive federal funds by an action of any governmental agency; (2) the respondent's previous contract(s) with CareerSource Pinellas have been terminated for cause; (3) the respondent has not complied with an official order to repay disallowed costs incurred during its conduct of programs or services; or (4) the respondent's name appears on the convicted contractor list.

### 5) Response Format

Each response should be prepared simply and economically, providing a clear and concise presentation of the information requested in this RFP in the order requested. Elaborate or expensive bindings, colored displays, and promotional materials are neither necessary nor encouraged unless they are provided as examples of your firm's expertise.

CareerSource Pinellas will not return responses, binders or exhibits. All responses become the property of CareerSource Pinellas and, in accordance with TEGL 15-16, information contained in the proposals submitted by responders will be maintained in a manner that is confidential, to avoid the use of the information by another responder to their advantage and to prevent collusive bidding.

Each firm submitting a response to this RFP agrees that the preparation of all materials and all presentations are at the respondent's sole cost and expense, and CareerSource Pinellas shall not, under any circumstances, be responsible for any costs or expenses incurred by a respondent.

The respondent should follow the instructions in this RFP in order to be considered fully responsive. Submissions should be concise and easily understood.

Responses should be submitted on 8 ½" X 11" papers, a minimum of 12-point font size and single-spaced. Text should be presented single-sided on each separate page. The response shall not exceed 15 pages in length, excluding required appendixes.

Do not respond to any questions in this RFP by referencing material presented elsewhere. The response provided immediately after the restatement of the question shall be considered

complete and stands on its own merits. A response of "*will comply*" or "*see above*" or similar statement shall be considered unresponsive. Failure to respond to any section of this RFP may result in disqualification of the proposal.

Submissions must include:

- 1 signed paper original and 5 paper copies of the entire original response delivered to One-Stop Operator Services, Attention: Jennifer Brackney, Interim Executive Director, CareerSource Pinellas, 13805 58<sup>th</sup> Street North, Suite 2-140, Clearwater, FL, 33760. The original should be stamped or marked "Original" on the front. No email or facsimile copies will be accepted.
- The response must be submitted in a sealed package with RFP # 18-0428 prominently displayed on the front or top of package.
- 1 flash drive on which the response is saved must be included in the sealed package. Please format the text in a Word document. PDF submissions will be considered non-responsive.

#### **6) Improper Business Relationships / Conflict of Interest**

In connection with this RFP, each respondent shall ensure that no improper, unethical, or illegal relationships or conflicts of interest exist between or among the respondent, CareerSource Pinellas, and any other party(ies) to this RFP. The respondent is responsible for disclosing at the point of response submission any such relationships. CareerSource Pinellas reserves the right to determine the materiality of such relationships, when discovered or disclosed, whether intended or not, and to decide whether or not respondent disqualification and/or cancellation of contract shall result. Such disqualification and/or cancellation shall be at no fault or liability whatsoever to CareerSource Pinellas.

#### **7) Questions**

All questions of this RFP document must be submitted in writing and received by CareerSource Pinellas by the due date shown under "RFP Time Line"; see contact information for questions on the front page of this RFP. CareerSource Pinellas will make a good-faith effort to prepare a written response to each question or request for clarification as soon as possible after the deadline. Any resultant interpretation or clarification response, if issued, will be added to the CareerSource Pinellas website.

### **E. Contract Term and Conditions**

This RFP and the evaluation and selection process shall in no way be deemed to create a binding contract or agreement of any kind between CareerSource Pinellas and any respondent. All legal rights and obligations between the successful respondent, if any, and CareerSource Pinellas will come into existence only when a contract is fully executed by both parties, and the legal rights and obligations of each party shall at that time be only those rights and obligations which are set forth in the contract and any other document specifically referenced in that contract.

The term of this contract shall be from a period commencing on or about July 1, 2018 and terminating June 30, 2019 with an option to extend for up to three (3) additional one-year periods based on

performance, business needs and funding availability. Invoices must be submitted on a monthly basis by the 10th of the month following the month of service.

No third party contracts or subcontracts will be allowed unless specifically approved in writing by CareerSource Pinellas.

## **F. Subrecipient vs Contractor**

In accordance with USDOL TEGL 15-16 issued January 17, 2017, Any entity selected to provide the requested one-stop operator services, including for-profits, nonprofits, educational organizations, and State or Local governments shall be considered a subrecipient when acting as a One-Stop Operator and therefore must comply with 2 CFR 200, including any requirements identified by the USDOL under 2 CFR part 2900. A summary of the Uniform Administrative Guidance requirements along with links to the above referenced Code of Federal Regulations (CFRs) can be found on the USDOL website at this [link](#).

## **G. Evaluation and Selection**

The evaluation of each response to this RFP will be based on the proposer's overall expertise and track record in delivering the services requested in this RFP and proposed price. Consideration will be given to the entity's integrity, compliance with public policy (Uniform Guidance), record of past performance, and financial and technical resources. See breakdown of selection criteria below

The selection committee will review and score each proposal deemed responsive, place the responses in rank order, and present the results along with their recommendation to the appropriate committee of the CareerSource Pinellas Board for review. A final selection will be made by the Board or a designated committee of the Board, contingent upon successful contract negotiations. Upon selection of the most qualified respondent, CareerSource Pinellas staff will begin negotiations in order to secure a contract at a level of compensation that CareerSource Pinellas determines is fair, competitive and reasonable. Should CareerSource Pinellas be unable to negotiate a satisfactory contract with the respondent considered to be most qualified at a price CareerSource Pinellas determines to be fair, competitive and reasonable, negotiations with that respondent will be formally terminated. CareerSource Pinellas shall then undertake negotiations with the next most qualified respondent, re-solicit for the services, identify an operator and develop a contract under a sole source method consistent with 2 CFR 200.320(f) or postpone/cancel the RFP as determined by the Executive Committee of the Board.

Final award of a contract will be contingent upon:

- identification of a respondent qualified and capable of successfully providing the services sought by CareerSource Pinellas in this RFP and performing under the terms and conditions of the this procurement and the resulting contract;
- successful negotiation of a contract at a price CareerSource Pinellas determines to be fair, competitive and reasonable; and
- Availability of sufficient funding.

**Criteria for Selection**

CRITERIA	WEIGHT FACTOR
Requirements a. The response was received by the due date and time. b. The response was presented in the required format, all questions in this RFP answered, an original and the correct number of copies provided and a flash drive provided on which the response was saved.	MANDATORY
Experience of contractor and key staff that would be involved in delivering these one-stop operator services as described in this RFP.	50 Points
Cost Reasonableness - The contractor’s budget information reflects reasonable costs for the staff and services as detailed in the Scope of Service.	50 Points
<b>TOTAL SCORE</b>	100 Points

**Appeal Procedure**

From the date and time of selection/notice of intent to award, any contractor has 72 hours (3 business days) in which to file a written appeal/protest with the Interim Executive Director at the address included within this RFP. Any appeal(s)/protest(s) will be heard by individuals selected by the Executive Committee of CareerSource Pinellas. The decision of this ad hoc committee is final.

**H. Conditions of this RFP - Reserved Rights**

The issuance of this RFP constitutes only an invitation to present a response. All information provided by CareerSource Pinellas in this RFP is offered in good faith; CareerSource Pinellas makes no certification that any item is without error. CareerSource Pinellas is not responsible or liable for any use of the information or for any claims attempted to be asserted there from.

The rights reserved by CareerSource Pinellas, which shall be exercised in its sole and absolute discretion, and shall be at no fault, cost or liability whatsoever to CareerSource Pinellas, include, without limitation, the right to:

- Supplement, amend or otherwise modify or cancel any provisions set forth in this solicitation at any time.
- To accept or reject any or all responses, to re-advertise this RFP, to postpone or cancel this process and to change or modify the time line at any time.
- Disqualify any respondent that submits an incomplete or inadequate response or is not responsive to the requirements of this RFP.
- Disqualify any respondent who demonstrates less than full understanding of this RFP in its entirety.
- Waive any defect, technicality or irregularity in any response received.
- Require additional information and/or oral presentation from one or more respondents to supplement or to clarify the response submitted.
- Determine whether the respondent’s written or oral representations are true, accurate and complete.

- Determine whether the respondent has the necessary experience, including seeking and evaluating independent information on any respondent.
- Consider any information submitted that is not requested by CareerSource Pinellas in a response as supplemental information and not subject to evaluation by the proposal review team or Board.
- Accept or reject in part or entirely the contractor's pricing. CareerSource Pinellas prohibits the changing of pricing and/or revenue responses after the RFP closing date and time except through the negotiation process.
- End contract negotiations if acceptable progress, as determined by the Executive Committee, is not being made within a reasonable time frame.
- Change specifications and modify contracts as necessary to (a) facilitate compliance with the legislation, regulations and policy directives, and (b) to manage funding.
- Request additional services. If the respondent is to be engaged to perform any additional services, the scope and fee will be negotiated in a separate contract to be awarded as a result of this solicitation. Such contracts, including provisions for additional fees, are valid only if approved in writing by both the respondent and CareerSource Pinellas.

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**Appendix A – Organization Information**

**One-Stop Operator Services**

RFP No. 18-0428

Company /Organization Name:			
Mailing Address:			
City:		State:	ZIP:
Physical location:			
City:		State:	ZIP:
Name of Company Owner:			
Contact Person:		Title:	
Phone:		Ext.:	Fax:
Email Address:		Website Address:	
Date Firm was Established:	Years in Business:	Total # Full-time Employees at this location:	
Legal Structure of Business:	<input type="checkbox"/> Sole Proprietor	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation
	<input type="checkbox"/> Non-profit	<input type="checkbox"/> Other(please indicate)	
Employer's Federal ID #:	Unemployment Comp ID #:		
Dunn and Bradstreet. #:	Primary NAICS and or (SIC) Code:		
Is your company current on all State of Florida tax obligations?	<input type="checkbox"/> Yes	<input type="checkbox"/> NO	
Is your company licensed by the State of Florida?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	
Does your company / organization have an approved indirect cost rate?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	
Description of your business, product(s) and/or service(s):			
<b>Authorized Signature:</b> Execution hereof is certification that the undersigned has read and understands the terms and conditions of the RFP, and that the undersigned's principal is fully bound and committed.			

## Appendix B – Company Qualifications

### One-Stop Operator Services

RFP No. # 18-0428. Respondent must meet all of the minimum qualifications outlined below. Please answer each question and initial by your answer.

- Has your company provided services similar in nature and complexity as those requested in this RFP for at least two years?  Yes  No Initial: \_\_\_\_\_
- Has your company contracted to provide services similar in nature and complexity as those requested in this RFP with at least one organization within the past three years? Performance of similar services as an employee does not fulfill this requirement.  Yes  No Initial: \_\_\_\_\_
- Does your company or one of your collaborative partners have subsidiaries, a parent organization, or other affiliates?  Yes  No Initial: \_\_\_\_\_ If yes, provide a full explanation on a separate sheet of paper.
- Is your company or one of your collaborative partners presently debarred or suspended or otherwise determined to be ineligible to receive funds by a government agency?  Yes  No Initial: \_\_\_\_\_ If yes, provide a full explanation on a separate sheet of paper.
- Has your company had a previous contract(s) with CareerSource Pinellas, and/or Tampa Bay Workforce Alliance terminated for cause?  Yes  No Initial: \_\_\_\_\_ If yes, provide a full explanation on a separate sheet of paper.
- Has your company complied with all official orders to repay disallowed costs incurred during your company's delivery of programs or services?  Yes  No Initial: \_\_\_\_\_ If no, provide a full explanation on a separate sheet of paper.
- Does your company's name appear on any convicted contractor list?  Yes  No Initial: \_\_\_\_\_ If yes, provide a full explanation on a separate sheet of paper.
- Has your company had a contract terminated for default in the last five years? Termination for default is defined as notice to stop performance, delivered to respondent due to respondent's non-performance or poor performance and the issue of performance was either not litigated due to inaction on the part of respondent; or litigated and determined that respondent was in default.  Yes  No Initial: \_\_\_\_\_ If yes, provide a full explanation on a separate sheet of paper.
- Has your company or any of your collaborative partners declared bankruptcy and/or had any assets attached by any court in the last three (3) years?

Yes  No Initial: \_\_\_\_\_ If yes, provide a full explanation on a separate sheet of paper.

- Is your company financially solvent?  Yes  No Initial: \_\_\_\_\_ If no, provide a full explanation on a separate sheet of paper.

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## Appendix C – Company References

### One-Stop Operator Services

RFP No. 18-0428

Respondent must include a list of references that can speak to the respondent's prior experience and past performance in delivering similar services. Reference names and contact information should be included. CareerSource Pinellas reserves the right to contact any person(s) or organization(s) who is familiar with the work of respondent to document the qualifications and successful experiences of respondent, as well as to solicit character references.

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## Action Item 5 - Science Center

**Background:** 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.

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**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
- 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.
- Address: 490 1<sup>st</sup> Ave S, St Pete, FL 33701, SF available: 1,815 – 71,482. \$27 - \$28 per sq. ft.

### Capital Improvements:

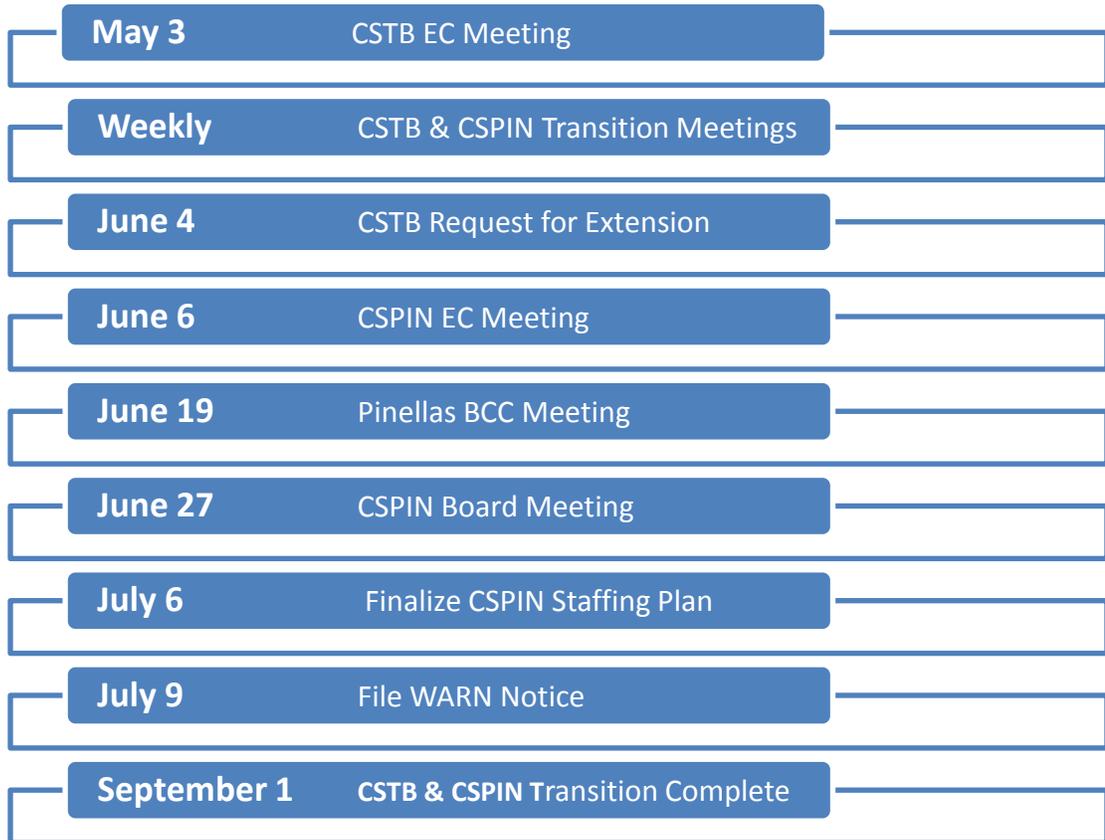
### 2018 Appraisal:

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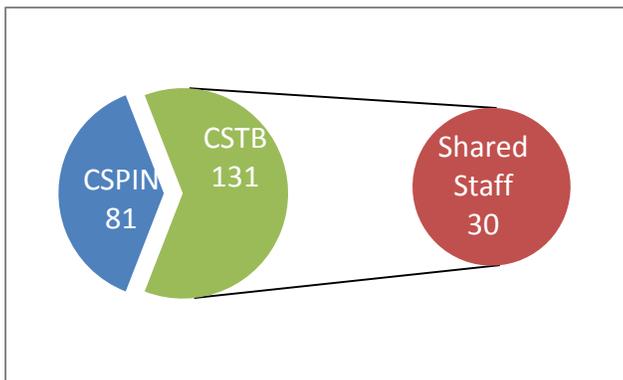
**Recommendation:** Approval to hire a contractor to conduct an inspection of the Science Center to identify any capital improvements needed within the next 5-10 years. Approval to request an appraisal of the Science Center building and property.



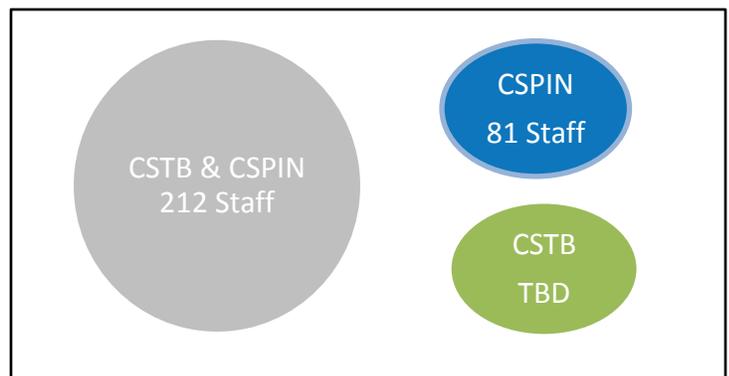
## Discussion Item 6 Transition Update



**Current Shared Services Staffing**



**Non-Shared Services Staffing**





## Action Item 7

### Transition Extension Request from CSTB

#### Background

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.

**Outcome:** This item was tabled at the 6/6/18 Executive Committee and requested to be discussed at Board of Directors meeting June 27, 2018. Request for specific stipulations to be added, to address which company will be liable for absorbing litigations resulting from potential layoffs and unemployment claims. Recommendation to enlist Board Counsel's assistance in this matter.

#### Recommendation

Approval of the request from CSTB to extend the transition deadline from July 1, 2018 to September 1, 2018.



## **Discussion Item 8- Internal Controls Audit**

Presentation by Powell and Jones CPAs, at the meeting.

**WORKNET PINELLAS, INC.**  
**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

**June 27, 2018**



**Powell & Jones**  
Certified Public Accountants

Richard C. Powell, Jr., CPA  
Marian Jones Powell, CPA

1359 S.W. Main Blvd.  
Lake City, Florida 32025  
386 / 755-4200  
Fax: 386 / 719-5504  
admin@powellandjonescpa.com

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 22, 2018

To the Board of Directors and  
Management of WorkNet Pinellas, Inc.

We have performed the procedures enumerated below, which were agreed to by the Management of WorkNet Pinellas, Inc. (CareerSource Pinellas) solely to assist you in determining whether CareerSource Pinellas staff are complying with established internal control policies and procedures, as well as applicable federal and state, laws and regulations. CareerSource Pinellas is responsible for the establishment and maintenance of effective internal controls over financial reporting and the safeguarding of assets. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

### OUR PROCEDURES AND FINDINGS

#### 1. Benefit Stipends

##### Overview

CareerSource Pinellas offers health and welfare benefits through the "WorkNet Pinellas Employee Benefit Plan", a cafeteria plan under IRS Code Section 125 to eligible employees that are regularly scheduled to work 30 or more hours per week. Eligibility for these benefits begins the first of the month following the completion of a 30-day waiting period. CareerSource Pinellas provides employees with a percentage of their salary approved by the Board to purchase health and welfare benefits. Currently, the Organization provides a benefit stipend equal to 28 percent of the employee's eligible earnings. ADP, the payroll provider, automatically calculates the 28 percent for each bi-weekly payroll period and adds the benefit to each employee's biweekly pay. Any portion of the stipend not used for health benefits is added to the employee's taxable earnings.

### Our Procedures

We obtained the following documents:

- Excerpt from employee handbook describing the benefit stipend.
- Form 5500, "Annual Return/Report of Employee Benefit Plan" filed for the cafeteria plan for 2016.
- Pay period dates for the fiscal years ending June 30, 2017 and 2018.
- Salary reconciliation reports for the pay periods selected by our auditors to be tested.
- Documentation of approved annual salaries of the employees selected by the auditors.

Using the above resources, we performed the following procedures:

- A sample of (15) employees was selected including (10) highly paid employees and (5) other employees.
- We reviewed the annual salary report for each employee selected to confirm that the benefit stipend was calculated correctly.
- We examined the cafeteria plan health benefits selected by the employee to verify that FICA and Medicare taxes were calculated correctly, and then compared our calculations to the ADP calculations.

### Findings

**We had no reportable findings or exceptions associated with the benefit stipend program based upon the sample selected.**

## **2. Non-elective Contributions (NEC) to Pension Plan Overview**

CareerSource Pinellas offers employee access to WorkNet Pinellas, Inc. 401(k) Plan retirement plan. Employees are eligible to enroll after completing six months of employment. CareerSource Pinellas currently makes payments of 5 percent of their eligible earnings on a bi-weekly payroll basis. ADP automatically calculates the 5 percent for each bi-weekly payroll period and deposits the contributions to the retirement plan.

### Our Procedures

We obtained the following documents:

- Excerpt from employee handbook describing the retirement plan contributions.
- Pay period dates for the fiscal year-ending June 30, 2017 and 2018.

- Salary reconciliation reports for the pay periods selected by our auditors to be tested
- Documentation of approved annual salaries of the employees selected by the auditors.
- Selected employees' 401(k) individual accounts reflecting deposit of the NEC.

Using the above resources, we performed the following procedures:

- A sample of (15) employees was selected including (10) highly paid employees and (5) other employees.
- We recalculated the bi-weekly gross pay to confirm that the calculated NEC and then compared our calculations to the ADP calculations.
- We reviewed the employees' individual 401(k) accounts to confirm that the calculated NEC was deposited in their account.

#### Our Findings

We had no reportable findings or exceptions associated with the Non-elective Contribution program based upon the sample selected.

### **3. Business Services Incentive Pay**

#### Description

The Business Services department of CareerSource Pinellas established an incentive program for its employee recruiters and account executives beginning July 1, 2016. Each participating employee in this program was given an incentive grid relative to his or her position with an attached copy of the guidelines for the program.

The incentive grid is a chart that gives the employees a name and description of the areas in which their performance will be measured, the overall weight given to each area, and both the maximum monthly and annual amount that they are able to earn by achieving their established goals. Incentives are generally related to success in job placements with participating employers.

In the original program employees could earn up to \$1,000 per month with a maximum of \$12,000 per year. Monthly payments were calculated based upon the percentages achieved in various established performance categories which ranged from four to six depending on job type. However, if an employee failed to achieve 70 percent of his or her overall monthly goal, he or she was not eligible for any incentive pay for the month, and the performance report indicating the subpar performance would serve as official documentation of an incident.

Effective August 1, 2017, there were changes to the guidelines governing this program. As a part of the changes, there was an increase in the amount that could be earned, rising from \$1,000 to \$1,400 per month. In addition, there was an update in the scaling system

so that each employee received the performance incentive earned whether or not the 70 percent achievement was attained.

Under these programs, the Director of Business Services exercised the prerogative to approve an incentive payment higher than the amount calculated as earned including those achieving less than the 70 percent performance standard, if it was deemed appropriate by the Director.

### Review Process

This incentive-based program utilizes a multi-level accountability system that begins with the employees tracking their own progress with regards to their own personalized goals. They then record the backup for each of their goals on a form provided to them at the end of the month. These forms are then given to their supervisor who electronically submits them for review by the internal Business Services incentives review team (review team). The review team reviews the employee reports, comparing the numbers recorded by the employees to those in the specific systems that track their performance attributes making alterations to the employee reports where necessary. The forms are returned to the employees, giving them the opportunity to contest any changes made by the review team, and then are returned to the review team to produce a summary report for submission to the Director of Business Services. The Director, with the review team present, reviews the reports and makes adjustments that are deemed proper. This information is then passed on to the Chief Executive Officer, who makes final approval prior to disbursement of the incentive pay in the employees' next paycheck.

### Our Procedure

To test this process we were given:

- Specialized incentive grids for each position,
- The monthly reports filled out by the employees showing how much of each goal was achieved each month
- The summary report filled out by the review team,
- The approval summaries that were reviewed by the Director of Business Services (along with adjustments) and
- The overall report viewed by the CEO. We were also given a summary of the payments made that came from ADP, the payroll service provider for CareerSource Pinellas.

Using these resources we reviewed the reports to ensure that they properly followed the process outlined above.

We selected a sample of 25 employees and tested them on the following attributes:

- We compared the employee reports to the summary reports provided by the review team to ensure that the amounts that they recorded agreed with what was reviewed by the Director of Business Services.

- We reviewed and recalculated employee incentive disbursement totals recorded in ADP to ensure the employee did not receive more than the monthly or yearly allowance per program guidelines.
- We compared the Incentive grid to the review team's summary sheets to ensure uniformity of performance indicators and their given weights.
- We discussed the recording and approval process with the review team to better our understanding of how to verify the information provided.
- We noticed that many of the approved incentive disbursements differed from the calculated amounts, so we looked at all of the months' payments prior to the change in policy and created a schedule to track consistent application of the guidelines pertaining to the 70 percent requirement. We noted when payments were applied according to the guidelines and when the calculated amounts were overridden by the Director of Business Services instead of giving the calculated stipend.

### Our Findings

We found that under the original program guidelines the amount being earned per the records of the employee and the review team was regularly being raised to meet the minimum 70 percent achievement rate necessary to receive the minimum payment. There was no documentation to support these overrides. When we asked the review team, they also were unable to provide any documentation for the changes. For the thirteen months of this program there were 48 instances or approximately 65 percent of those who did not achieve the 70 percent performance level, where their performance was adjusted to qualify for the incentive payment. However, from the time that there was a revision to the guidelines any increase in pay was documented on the summary report given to the Director of Business Services by a brief explanation for its justification.

## 4. Part-Time Payroll Coordinator

### Overview

The Payroll Coordinator of CareerSource Pinellas was a part-time position eligible for limited benefits. It required approximately 20 hours per each bi-weekly pay period. The position was filled by Valerie Luebke; who was paid \$50 per hour per her contract. She also received a stipend that was based on the score that she received on her annual performance evaluation. Her employment began August, 2016 and ended in May, 2018.

### Objective

We were asked to use the provided back up information to verify Ms. Luebke's various sources of pay over the period that extended from the beginning of January, 2017 until her separation in May, 2018. Her pay information is displayed in an excel document that was generated through ADP, the Organization's payroll services provider.

### Our Procedures

Per the report provided from ADP, Ms. Luebke received two sources of income during the review period: an hourly wage of \$50 and a performance based stipend.

To test the overall wages received, we requested Ms. Luebke's 2017 Form W-2 to verify that the totals recorded agreed with the amounts reported as having been paid her during 2017. Because there is not a W-2 yet for 2018, we were given a journal report to agree with the numbers reported by ADP.

**We found that the amounts recorded as paid on her 2017 Form W-2 and the journal report for wages paid in to her in 2018 agreed with the ADP reports.**

To verify that the amounts paid per period were consistent with her hourly wage, we were given both her offer letter, that showed her pay to be \$50 per hour, and four timesheets that were from pay periods that were randomly selected by us. We calculated the hours indicated on the time sheets by the \$50 hourly wage to arrive at the amount that she should have earned.

**All amounts paid in the tested periods agreed with our calculated numbers.**

To test her performance based stipend, we were given her 2017 performance evaluation and a document that allowed us to calculate what should have been paid based on her evaluation score so that we could compare it to what she actually received.

**The amount that she received agreed with the numbers that we calculated.**

### Our Findings

**There were no reportable findings associated with Ms. Luebke's compensation.**

## **5. Ed Peachey Compensation**

### Overview

Ed Peachey was the President and Chief Executive Officer of both CareerSource Tampa Bay and CareerSource Pinellas. Per his contract he was paid a yearly salary of \$209,400 which consisted of a base salary of \$174,500 and a 20 percent bonus of \$34,900 for serving as the President and CEO of both workforce boards. He also received compensation in the form of yearly PTO payouts and a performance evaluation stipend that was tied to the score that he received on his annual performance evaluation. Once his employment with the Organizations was terminated, he was due a payout of the remaining balance of his PTO. Prior to his termination, the Board of CareerSource Tampa Bay voted to discontinue payment of his salary resulting in him receiving a 50 percent reduction of his previous salary for the final month of his employment. His employment ended on April 9, 2018.

For the calendar years 2017 and 2018, Mr. Peachey earned the following compensation:

Description	2017	2018
Regular earnings	\$ 209,400.10	\$ 37,488.48
PTO payouts	20,134.63	30,201.94
Benefits stipend	48,859.92	9,161.25
Performance evaluation stipend	10,470.01	-
Termination PTO payout	-	26,228.56
	<u>\$ 288,864.66</u>	<u>\$ 103,080.23</u>
Amount paid by CS Pinellas	<u>\$ 131,481.27</u>	<u>\$ 53,683.36</u>

### Objective

We were asked to use the provided back up to verify his various sources of earnings over the period that extended from the beginning of Calendar Year 2017 until his termination. His pay information is displayed in an excel document that was generated through ADP, the Organization's payroll services provider.

### Our Procedures

Per the report provided by ADP, Mr. Peachey received multiple sources of income during the review period: a yearly salary with a benefit stipend proportional to the base portion of his yearly salary, annual optional PTO payouts, a performance based stipend, and a payout of the remainder of his PTO balance at his hourly wage rate at the time of his separation.

To test overall compensation received, we requested Mr. Peachey's 2017 Form W-2 to verify that totals recorded agreed with the amount reported as having been paid in 2017. Because there is currently not a Form W-2 for 2018, we were given a journal report to agree with the numbers reported by ADP.

**We found that the amounts recorded as paid on his Form W-2 and the journal report for wages paid in 2018 agreed with the ADP comparable reports.**

To verify his salary, we received the most recent Employee Action Form (EAF) pertaining to salary adjustment and divided the amount reported on the EAF by 26 (bi-weekly periods). This computed his salary by period.

**We found that his salary per the EAF agreed with the ADP reports.**

The employee benefit stipend was proportional to each employee's base salary. Mr. Peachey had a salary that consisted of his annual base pay of \$174,500 and a 20 percent bonus worth \$34,900 for "being the president of two workforce boards. The incentive was only tied to the base portion of \$174,500, and per a Memo for Record from Alice Cobb, Special Projects Director, the stipend was \$2,035.83 per pay period.

**We found that the amounts reported in the memo and ADP were consistent with our calculations as to the correct amount.**

Early in 2018, the Board of CareerSource Tampa Bay voted to suspend payment of Mr. Peachey's salary. This was consistent with that which was reported in the ADP reports.

For the two PTO payouts, we obtained both the 2017 and 2018 payout requests to ensure the amount that he requested multiplied by his hourly rate was reflected in ADP. We also received his leave balances before and after both payouts to ensure that proper PTO adjustment had occurred.

**We found that per the leave balance reports, the proper reduction of leave time occurred from one period to the next as the amount deducted agreed with that which was requested.**

We received Mr. Peachey's ending leave balance prior to termination and multiplied that by his final pay rate to ensure that the amount that he received for PTO upon leaving agreed with what was reported in ADP.

**We found that the amount paid was consistent with ADP and was supported by the back-up documentation provided.**

To test Mr. Peachey's performance evaluation stipend, we obtained his performance evaluation and compared the tiered system that they use to determine the percentage of the salary received as a bonus to calculate the amount that was due. He scored in the highest tier and earned 5 percent of his yearly salary. We calculated 5 percent of his salary at the time of the bonus and compared that to the reported amount in ADP.

**We found that our calculation of the amount due to him through the stipend was consistent with what was paid and reported in ADP.**

Our Findings

There were no reportable findings with regards to Mr. Peachey's compensation.

6. Haley Loeun Compensation

Overview

Haley Loeun was the Director of Business Services for CareerSource Pinellas and Tampa Bay. Her salary was allocated to each Organization based upon her timesheet and approximately 23 percent was allocated to CareerSource Pinellas during the review period. Per her contract, she had a yearly salary of \$130,000, which was within the established pay range for her position. She also received compensation in the forms of annual PTO payments and performance evaluation stipends. Once her employment with CareerSource Pinellas ended, she was due a payout of the remaining balance of her PTO. Her employment ended March 1, 2018.

For calendar years 2017 and 2018, Ms. Loeun received the following total compensation:

<u>Description</u>	<u>2017</u>	<u>2018</u>
Regular earnings	\$ 126,384.62	\$ 25,000.00
PTO payouts	11,634.62	13,500.00
Benefits stipend	35,303.38	7,583.35
Performance evaluation stipend	6,500.00	-
Termination PTO payout	-	7,000.00
	<u>\$ 179,822.62</u>	<u>\$ 53,083.35</u>
Amount paid by CS Pinellas	<u>\$ 40,808.15</u>	<u>\$ 6,109.38</u>

## Objective

We were asked to use the provided back up information to verify the correctness of the various sources of pay over the period that extended from the beginning of 2017 until she was terminated. Her pay information is displayed in an excel document that was generated through ADP, the Organization's payroll services provider.

## Audit Procedures

Per the report provided from ADP, Ms. Loeun received multiple sources of income during the audited period: a yearly salary with a benefits stipend proportional to her salary, annual optional PTO payouts, a performance based stipend, and a payout of the remainder of her PTO balance at her hourly wage rate at the time of her termination.

To test overall wages received, we requested Ms. Loeun's 2017 Form W-2 to verify that totals recorded agreed with the amount reported as having been paid in CY 2017. Because there is currently not a W-2 for CY 2018, we were given a journal report to agree with the numbers reported in ADP.

**We found that the amounts recorded as paid on her W-2 statement and the journal report for wages paid in 2018 agreed with the report from ADP.**

To verify her salary, we received the most recent Employee Action Forms (EAF) pertaining to her salary adjustments and divided the amount reported on the EAF by 26 biweekly periods. . This computed her salary per pay period.

**We found that her salary per the EAF agreed with ADP.**

The employee benefit stipend of 28 percent was proportional to each employee's base salary . In March of 2017, Ms. Loeun received a raise that increased her pay from \$110,000 to \$130,000 annually. The incentive was based only her salary at the time of payment.

**We found that the amounts reported in ADP were consistent with our calculations of Ms. Loeun's approved compensation.**

For the two PTO payouts, we received both the 2017 and 2018 payout requests to ensure the amounts that she requested multiplied by her hourly rate was correctly reflected in ADP. We also received her leave balances before and after both payouts to ensure that proper PTO adjustment had occurred.

**We found that per the leave balance reports, that the proper reduction of leave time occurred from one period to the next and the amount deducted agreed with that which was requested.**

For her final payout of PTO, we divided the termination leave compensation per ADP by her final pay rate to estimate the number of hours for which she should have been compensated as of her final day of employment. Our calculation showed that she would have had 112 hours of PTO at her termination date. Based on her balance as of February 2, 2018 of 96 hours which we received in a leave balance report provided to us, her final day on March 2, 2018 which was two pay periods later, and the accrual of eight hours per

period, we found that the balance of 112 hours (96 + 16 = 112) was correct and she was paid in agreement with what was reported in ADP.

To test Ms. Loeun's performance evaluation stipend, we obtained her performance evaluation and compared the tiered system that was used to determine the percentage of the salary received as a bonus to calculate the amount that was due. She scored in the highest tier and earned 5 percent of her yearly salary . We calculated 5 percent of her salary at the time of the bonus and compared that to the reported amount in ADP.

We found that our calculation of what was due to her from the stipend was consistent with what was paid and reported in the ADP reports.

#### Findings

There were no reportable findings with regards to Ms. Loeun's compensation.

### 7. Supportive Service Cards

#### Overview

CareerSource Pinellas utilizes supportive service cards (Visa cash cards and gas cards) as components of providing eligible supportive services to its eligible participants. This practice is specifically authorized in federal regulations relating to the Workforce Innovation and Opportunity Act (WIOA), Welfare Transition, and other grant-funded training programs. Such programs are also widely used by other Workforce Boards in Florida and across the country.

#### Objective

We were asked to review the policies and procedures in place relating to the receipt, distribution, issuance, monitoring and storage of the supportive service cards and to verify compliance with the written procedures regarding these cards.

#### Our Procedures

We obtained the written CareerSource Pinellas policies relating to the administration of the supportive services card program. We reviewed these policies and procedures for compliance with the Welfare Transition and WIOA requirements regarding the utilization of supportive service cards. We also reviewed the established procedures relating to internal controls over this process.

We selected a sample of the cards issued to participants consisting of 35 payments over the three-year period. We requested backup documentation relating to these participants to verify that the cards issued were in compliance with the policies of CareerSource Pinellas and the federal regulations.

We also selected a sample of monthly inventory reconciliations and reviewed the amounts and documentation for the monthly inventories.

## Our Findings

Based upon our procedures we found the following:

- The documentation maintained for supportive services cards issued to participants in our sample was adequate to support eligibility for the cards.
- The policies and procedures relating to the accountability and custody of the cards are detailed and comprehensive and are substantially complied with in practice.
- Since the cards are essentially cash, the practice of mailing cards to participants increases the possibility that the cards could be misappropriated. We recommend that the Organization consider requiring the cards to be picked up by the individual recipients to the greatest extent possible.

## **8. Training Provider Contracts**

### Overview

From year to year, employers of some Board members will provide training services to CareerSource Pinellas participants generally as selected by the individual participants. The Board has an approval procedure for such related party contracts which includes annual maximum amounts to be paid the providers for each classification of training.

### Objective

Our objective was to verify that the actual amounts provided to these related party training providers did not exceed the approved amounts for each of the fiscal years ending June 30, 2015, 2016 and 2017.

### Documents Provided Us

For each of the three fiscal years we were provided with the listing of Board approved related party maximum amounts of training to be provided for each of the training categories.

### Our Procedures

From each of the listings we selected various contract provider amounts to be verified for a total of twenty-eight individual amounts from the three years. For each of these we requested a vendor report of actual expenditures made to the training providers.

We then verified whether the actual expenditures exceeded the Board approved amounts.

### Our Findings

**We found that none of the selected contract payment totals exceeded the maximum Board authorized amounts for the fiscal year.**

**9. Visa Cards for Staff and Others**

**Overview**

From time to time, the Organization issues Visa cash cards to employees and other persons for various recognition purposes. These cards are issued from the CareerSource Pinellas inventory of unissued Visa cards, and charged as an expense to the appropriate funding classification.

**Objective**

Our objective in this area was to review the procedures for distributing Visa cards to staff and other persons. Specifically, were Visa cards that would not be eligible for grant-allowed activities properly charged to unrestricted funding sources? Further, should the cash value of Visa cards issued to employees have been included with their taxable compensation on their Forms W-2?

**Our Procedures**

We obtained a detail listing of Visa cards issued to employees and other persons for the calendar years 2014, 2015, 2016, 2017 and 2018 to the date of our review. A summary of the amounts of cards issued is as follows:

<u>Year</u>	<u>Cards Issued</u>	<u>Total Value</u>
2014	11	\$ 550
2015	69	5,475
2016	181	10,775
2017	197	12,630
2018	28	3,565
	<u>486</u>	<u>\$ 32,995</u>
Average card value		<u>\$ 68</u>

The issued cards were classified for the following purposes:

**Employees:**

CFK Teacher Orientation	\$ 875
Cigna Wellness Challenge	10,175
Diabetes Walk Raffle	3,650
Employee Recognition	150
Scholarship Drive	5,375
Science Center Teacher Orientation	325
Success Story Winner	2,500
Tobacco Free FL contest	925
TTW Incentive	1,000
<b>Total</b>	<u><b>24,975</b></u>

**Other Persons:**

Americorps Volunteer Hardship	350
Focus Group	375
Guest speaker - Board Meeting	75
Non Employee	6,145
One-Stop Presenters	775
Youth Economic Opportunity Meeting	300
<b>Total</b>	<u><b>8,020</b></u>
<b>Total Value</b>	<u><b>\$ 32,995</b></u>

From our review we found that all cards issued were charged to unrestricted (non-grant) funds except for the “Success Story Winner”, which was charged to the Outreach Cost Pool, which constitutes non-eligible charge to this cost pool. We selected a sample of the cards for the purpose of verifying that the value of the cash was charged to unrestricted (non-grant) funds.

#### Our Findings

From our procedure we determined the following:

The value of the Visa cards issued during the period were properly charged to unrestricted funds, except for the “Success Story Winner” cards which were charged to the grant-funded “Outreach Cost Pool” which is also an allowable activity for this pool.

According to Internal Revenue Regulations gift cards that are redeemable for merchandise or have an equivalent cash value of any amount are taxable to employees. Thus, the cards issued to employees should have been included on the employees’ Forms W-2.

### 10. On-the-Job Training (OJT) Program

#### Overview

The On-the-Job Training Program (OJT) is a federally funded program sponsored by and administered by CareerSource Pinellas. It is designed to assist businesses with the training and employment needs of their workforce so that the business and employee can maintain a competitive edge in the marketplace.

OJT training assistance is open to all Pinellas County businesses meeting specific guidelines. All training assistance awards are based on eligibility and available funding. The employer hires the referred customer, provides occupational training, and in exchange, the employee is reimbursed the extraordinary cost of training. High Skill/High Wage opportunities are preferred.

This program is administered by the Business Services Department of CareerSource Pinellas.

#### Objective

We were asked to review the procedures for approving, paying and maintaining OJT participants.

#### Our Procedures

We obtained and reviewed the written procedures regarding the OJT program and noted the specific forms and authorizations required. We selected a sample of 32 OJT participants and requested full documentation as required by the written procedures. We also reviewed the specific payments made for reasonableness and overall compliance with the objectives of this program.

## Our Findings

Based upon our review of the sample of selected OJT participants, we found that this program was generally being administered in compliance with applicable federal regulations and the written procedures of CareerSource Pinellas.

### **11. Summer Camp Scholarship Drive**

#### Overview

For several years CareerSource Pinellas has held a Summer Camp Scholarship Drive among employees in support of providing scholarships for youth to attend the various summer programs offered at the Science Center which is owned and operated by WorkNet Pinellas, Inc. Various incentives were available to employees based upon amounts of funds raised by the campaigns. Incentives included paid time off, gift cards and a 50-inch HDTV.

#### Objectives

Our objectives in this review were as follows:

- Verify that all gift cards awarded to employees were properly charged to Organization unrestricted (non-grant) funds and not grant-related funds.
- Determine whether the gift cards and merchandise awarded employees were includible in compensation for IRS wage reporting.
- Determine if any of the time off awarded employees created charges to grant-related cost pools, which would constitute ineligible grant expenditures.

#### Our Procedures

We obtained a listing of the following documents regarding the Summer Camp Scholarship drives:

- Contest rules and incentive award levels.
- A listing of the value of gift cards awarded employees from to contests.
- A listing of employee awards of paid time off with corresponding monetary calculation.

From this information we determined that Visa gift cards totaling \$5,375 were awarded to employees over the approximate three-year period. These gift cards were not charged to grant funds, but were charged to corporate unrestricted funds. The value of these gift cards were not included in the employees' taxable income for Form W-2 purposes.

Relating to the contests, employees were awarded 738 hours in "paid days off" which was valued at \$24,994.80 during 2016 and 2017. Of this total, \$4,295.65 related to non-exempt employees and \$20,699.15 applied to employees in the exempt classification. All awarded leave was added to the individual employee leave balances.

### Our Findings

In accordance with applicable Internal Revenue Service regulations, the value of the Visa gift cards awarded employees should have been included in employee taxable compensation for each of the applicable years. Also, the value of the television set should have been included in the recipient employee's taxable compensation for the year of award.

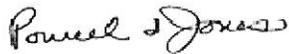
Due to the fact that the additional leave awarded employees was not segregated in the employee leave records, it is possible that the \$4,295.65 in leave awarded non-exempt employees was charged to grants. However, since the extra leave was recorded as "Paid Days Off" which expire each year end, it is likely that the amounts awarded the exempt employees totaling \$24,954,80 did not constitute charges to grants. This is because these employees are not paid for time worked in excess of 40 hours per week and generally these employees consistently work in excess of 40 hours per week.

If this practice is continued in the future, we recommend that this type of leave be segregated in the employee leave records to assure that none is improperly charged to grants.

### **CONCLUSION**

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on compliance with established internal control policies and procedures, as well as applicable federal and state laws and regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and Management of WorkNet Pinellas, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties. We do acknowledge that this report is a public record via Florida Law.



**POWELL & JONES**  
Certified Public Accountants  
June 27, 2018



## **Information Items**

1. One Stop Lease Agreement
2. Consent Agenda of May 2, 2018 Executive Committee Meeting
3. Consent Agenda of June 6, 2018 Executive Committee Meeting
4. Monitoring Update
5. Financial Update for period ended May 31, 2018



## **Information Item 1**

### **One Stop Lease Agreement CareerSource Pinellas Center in St. Petersburg aka South County**

#### **Background**

The premises located at 3420 8<sup>th</sup> 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."*

#### **Outcome**

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 8<sup>th</sup> Avenue South, St Petersburg, Florida. The motion carried. This item is also included in the enclosed consent agenda.

**LEASE AGREEMENT**  
**BETWEEN**  
**THE SCHOOL BOARD OF PINELLAS COUNTY, FLORIDA (“LESSOR”)**  
**AND**  
**WORKNET PINELLAS, INC. (“LESSEE”)**

This Lease Agreement ("Lease") is made effective this     day of                     , 2018, between The School Board of Pinellas County, Florida, a political subdivision of the State of Florida ("Lessor"), with its administrative offices located at 301 4th Street S.W., P.O. Box 2942, Largo, FL 33779-2942, and WORKNET PINELLAS, INC. ("Lessee"), a not-for-profit corporation organized and existing under the laws of the State of Florida, with a principal place of business at 13805 58<sup>th</sup> Street North, Suite 2-140, Clearwater, FL 33760.

**ARTICLE 1. LEASED PREMISES**

Description of Leased Premises

1.01. Lessor leases to Lessee, and Lessee rents and accepts from Lessor, certain school facilities located at 3420 8<sup>th</sup> Avenue South., St. Petersburg, FL consisting of the eastern 11,025 square feet of Building 4 as shown in Exhibit "A" attached hereto (the "Premises"). The Premises shall be used to establish "ONESTOP Center", which is an employee referral and placement center. Vehicular access and parking for the ONESTOP Center shall be as designated by the Lessor.

Improvement to Premises

1.02. The Lessee may, with the prior written approval of the Lessor, make improvement to the Premises at Lessee's sole expense, including, but not necessarily limited to, electrical, information technology, signage, flooring, painting, and cubicles. Prior to vacating the Premises upon termination of the Lease term, Lessee shall remove so many of the improvements as Lessor shall direct, and shall provide Lessee reasonable notice to accomplish such removal.

## ARTICLE 2. TERM AND RENT

### Term of Lease

2.01. The term of the Lease shall be for five (5) years, commencing on May 13, 2018, and ending on May 12, 2023, unless terminated at an earlier date for any reason set forth in this Lease. This lease may be extended for an additional three (3) years under the same terms and conditions set forth herein, with written agreement and approval by the Superintendent and the Lessee.

### Holdover

2.02. If Lessee holds over after the expiration of the Lease Term and continues to pay rent without objection from Lessor, then Lessee's tenancy shall be from month to month on all the terms and conditions of this Lease.

### Rent

2.03. Lessee shall pay rent to Lessor in the amount of \$11.25 per square foot of leased space per year. Rent will include utilities and custodial services during the Lessor's normal operating hours. Any other utilities or custodial services needed after Lessor's normal operating hours will be subject to direct costs.

### Consideration for Reduced Rent

2.04. In consideration for the reduced rent charged to the Lessee, Lessee agrees to actively refer its clients to the Lessor's Pinellas Technical Center programs (PTC) and other appropriate Pinellas County School Board educational programs. Lessee shall serve as placement agent of PTC graduates at no cost to Lessor or to the graduates.

### Early Termination

2.05 In the event that Lessee's funding is substantially reduced in a manner that prohibits the continuation of Lessee's operations in the manner and nature as at the Lease commencement date, Lessor agrees, at Lessor's sole discretion, to either 1) negotiate a modification of this Lease by reducing the amount of space leased and the resultant Lease payments, or 2) terminate the Lease and

release Lessee from any further obligations hereunder. In the event that Lessee's funding is discontinued, Lessor agrees to terminate this Lease and release Lessee from any further obligations hereunder. Lessee will provide the Lessor a minimum ninety (90) day notice of reduced or discontinued funding. In addition, either party may terminate this lease without cause upon 180 days written notice.

### **ARTICLE 3. USE**

#### Primary Use

3.01. Lessee shall have the right to use the Premises for a ONESTOP Center for employee referral, placement and related services.

### **ARTICLE 4. LAWS AND GOVERNMENTAL REGULATIONS**

#### Compliance With Legal Requirements

4.01. Lessee shall promptly comply with all laws and ordinances, and all orders, rules, regulations, and requirements of federal, state, and municipal governments and appropriate departments, commissions, boards, and officers of these governments ("Legal Requirements") throughout the Term of this Lease, and without cost to Lessor. Lessee shall promptly comply with these Legal Requirements whether they are foreseen or unforeseen, or ordinary or extraordinary.

### **ARTICLE 5. LIENS AND ENCUMBRANCES**

#### Creation Not Allowed

5.01. Lessee shall not create, permit, or suffer any mechanics' or other liens or encumbrances on or affecting the Premises or the fee estate of Lessor.

#### Discharge After Filing or Imposition

5.02. If any lien or encumbrance shall at any time be filed or imposed against the Premises or the fee estate of Lessor, Lessee shall promptly cause the lien or encumbrance to be discharged of record. If Lessee shall fail to cause the lien or encumbrance to be so discharged, then in addition to any other right or remedy of Lessor, Lessor shall be entitled but not obligated to discharge the lien or encumbrance either by paying the amount claimed to be due or by procuring the discharge by deposit or by bonding proceedings. In any event, Lessor shall be entitled to compel the prosecution of an action for the foreclosure of any lien or encumbrance by the lienor and to pay the amount of the judgment for and in favor of the lienor with interest, costs, and allowances if Lessor elects to take this action. All amounts paid by Lessor and all of its costs and expenses in connection with the actions taken by Lessor, including court costs, reasonable attorneys' fees, and interest at the highest legal rate in effect at the time these moneys are due, shall be deemed to be additional rent under this Lease and shall be paid by Lessee to Lessor promptly on demand by Lessor.

5.03. Lessor shall not be liable for any labor, services, or materials furnished or to be furnished to Lessee or to any sublessee in connection with any work performed on or at the Premises, and no mechanics' lien or other lien or encumbrance for any labor, services, or materials shall attach to or affect Lessor's fee estate in the Premises.

#### Phone and Communication Equipment

5.04. Lessee is responsible for providing at Lessee's sole expense all phone or other communications' equipment.

#### Office Equipment and Supplies

5.05. Lessee is responsible for providing at Lessee's sole expense all paper goods; office consumables; copies, copiers and copier maintenance, and supplies.

5.06. Lessee is responsible for the operation and monitoring of the Sonitrol access control security system for the Premises.

### **ARTICLE 6. INSURANCE AND INDEMNITY**

#### Property and Personal Injury Liability Insurance

6.01. At all times during the Term of this Lease, Lessee shall maintain, at its sole cost, comprehensive broad-form general public liability insurance against claims and liability for personal injury, death, and property damage arising from the use, occupancy, disuse, or condition of the Premises and

Improvements, and adjoining areas. The insurance shall be carried by insurance companies authorized to transact business in the State of Florida, selected by Lessee and approved by Lessor. In addition, the following conditions shall be met:

(a) The insurance provided pursuant to this Paragraph 6.01 shall be in an amount no less than \$1,000,000 for property damage, and in an amount no less than \$1,000,000 for one person and \$1,000,000 for one accident for personal injury.

(b) The insurance shall be maintained for the mutual benefit of Lessor and Lessee, any succeeding owners of the fee title in the Premises, and any successors and assigns of this Lease. The insurance policy or policies shall name both Lessor and Lessee as insureds.

(c) The amounts of insurance shall be increased as Lessor may reasonably require from time to time to account for inflation, or generally increased insurance settlements or jury verdicts.

#### Certificates of Insurance

6.02. Upon execution of this Lease, Lessee shall furnish Lessor with a certificate of all insurance evidencing coverages required by this Article 6. Lessee agrees that if it does not keep this insurance in full force and effect, Lessor may notify Lessee of this failure, and if Lessee does not deliver to Lessor certificates showing all of the required insurance to be in full force and effect within ten days after this notice, Lessor may, at its option, take out and pay the premiums on the insurance needed to fulfill Lessee's obligations under the provisions of this Article 6. On demand from Lessor, Lessee shall reimburse Lessor the full amount of any insurance premiums paid by Lessor, with interest at the rate of ten percent per annum from the date of Lessor's demand until reimbursement by Lessee.

#### Indemnification of Lessor

6.03. Lessor shall not be liable for any loss, damage, or injury of any kind or character to any person or property arising from any use of the Premises or Improvements, or caused by any defect in any building, structure, equipment, facility, or other improvement on the Premises, or caused by or arising from any act or omission of Lessee, or any of its agents, employees, licensees, or invitees, or by or from any accident, fire, or other casualty on the land, or occasioned by the failure of Lessee to maintain the premises in safe condition. Lessee waives all claims and demands on its behalf against Lessor for any loss, damage, or injury, and agrees to indemnify and hold Lessor entirely free and harmless from all liability for any loss, damage, costs, or injury of other persons, and from all costs and expenses arising from any claims or demands of other persons concerning any loss, damage, or injury, caused other than by the negligent or intentional act or omission of Lessor.

## **ARTICLE 7. MISCELLANEOUS**

### **Maintenance and Repairs**

7.01 Lessor shall be responsible for all structural repairs and maintenance to include, without limitation, roof repair, HVAC including filters and vents, and parking area. Lessor will be responsible for basic grounds maintenance. Any landscaping Lessee desires will be at the approval of the Lessor and will be funded and maintained by Lessee.

Lessor shall clean or replace the existing HVAC vent system.

### **Utilities**

7.02 Lessor shall be responsible for the cost and expense of all utility services supplied to the Premises, to include electric, water, sewer, and garbage.

### **Janitorial Services**

7.03 Janitorial services and supplies are the responsibility of the Lessee.

## **ARTICLE 8. DEFAULT**

### **Events of Default**

8.01. (a) Any one or more of the events listed in Subparagraphs (b) through (f) of this Paragraph 8.01 shall constitute a default under this Lease.

(b) Lessee's failure to pay rent within 30 days after the rent becomes due and payable in accordance with the terms, covenants, and agreements of this Lease shall constitute a default under this Lease.

(c) Lessee's failure to observe or perform or cause to be observed or performed any other term, covenant, or agreement under this Lease, and continuation of this failure for a period of thirty days after Lessor's written notice to Lessee specifying the nature of Lessee's failure shall constitute a default under this Lease. However, a failure as described in this Subparagraph (b) shall not constitute a default if it is curable but cannot with reasonable diligence be cured by Lessee within a period of thirty days, and if Lessee proceeds to cure the failure with reasonable diligence and in good faith.

(d) Lessee's abandonment of the Premises and Improvements shall constitute a default under this Lease.

(e) The occurrence of both of the following events at the date of the commencement of this Lease or during its effective Term shall constitute a default under this Lease:

(1) Filing of a petition in bankruptcy or insolvency, for reorganization or the appointment of a receiver or trustee of all or a portion of Lessee's property, by or against Lessee in any court pursuant to any statute either of the United States or of any state.

(2) Lessee's failure to secure a dismissal of the petition within sixty days after its filing.

(f) Lessee's assignment of the leasehold interest under this Lease for the benefit of creditors shall constitute a default under this Lease.

#### Notice of Election to Terminate Lessee's Possession

8.02. If any event creating default occurs, Lessor may elect to terminate Lessee's right of possession under this Lease after thirty days from the date of service of notice of the election. If this notice is given, all of Lessee's rights, title, and interest in the Premises shall expire completely at the expiration of the thirty days, and Lessee shall quit and surrender the Premises and any Improvements erected on the Premises to Lessor.

#### Lessor's Entry After Termination of Lessee's Possession.

8.03. At any time after the termination of Lessee's right of possession under this Lease pursuant to Paragraph 7.02 of this Lease, Lessor may enter and possess the Premises and Improvements by summary proceedings, ejectment, or otherwise, and Lessor may remove Lessee and all other persons and property from the Premises and Improvements. If Lessor takes the actions described in this Paragraph 7.03, Lessor may then possess the Premises and Improvements and assume the right to

receive all rents, income, and profits from the Premises and Improvements, and Lessor may also sell any of the Improvements.

## **ARTICLE 9. EXPIRATION OF TERM**

### **Lessee's Delivery of Possession After Termination or Expiration**

9.01. On the expiration date of this Lease as set forth in Paragraph 2.01 of this Lease, or the termination of Lessee's possession under this Lease pursuant to Paragraph 8.03, or any entry or possession of the Premises and Improvements by Lessor pursuant to Paragraph 8.03 (collectively referred to as the "Expiration Date"), Lessee shall promptly quit and surrender the Premises and Improvements, and deliver to Lessor actual possession and ownership of the Premises and Improvements in good order, condition, and repair.

### **Lessee's Removal of Movable Objects**

9.02. Lessee shall have the right to remove from the Premises and Improvements all movable trade fixtures, movable equipment, and articles of personal property used or procured for use in connection with the operation of its business on or before the Expiration Date, provided that Lessee shall promptly repair, or cause to be repaired, any damage resulting to the Premises or Improvements by reason of this removal. Any trade fixtures, equipment, or articles of personal property of Lessee that remain at or on the Premises after the Expiration Date shall be deemed to have been abandoned by Lessee, and may either be retained by Lessor as its property or disposed of by Lessor without accountability to Lessee for the value of these trade fixtures, equipment, or articles of personal property, or any proceeds derived from the sale of these items.

## **ARTICLE 10. GENERAL PROVISIONS**

### **No Waiver of Breach by Lessor's Actions**

10.01. The failure of Lessor to seek redress for violation of, or to insist on the strict performance of any covenant, agreement, term, provision, or condition of this Lease shall not constitute a waiver of the covenant, agreement, term, provision, or condition. The receipt by Lessor of rent with knowledge of the breach of any covenant, agreement, term, provision, or condition of this Lease shall not be deemed a waiver of that breach.

## Waiver of Any Provision Must Be Written

10.02. No provision of this Lease shall be deemed to have been waived, unless the waiver is in writing and signed by the party against whom enforcement is sought. No payment by Lessee or receipt by Lessor of a lesser amount than the rent stipulated in this Lease shall be deemed to be other than for the payment of rent or other charge owing by Lessee, as Lessee shall elect. No endorsement or statement on any check or any letter accompanying any check or payment as rent shall be deemed binding on Lessor or deemed an accord and satisfaction, and Lessor may accept a check or payment from Lessee without prejudice to Lessor's right to recover the balance of the rent or other charges owing by Lessee, and without limitation on Lessor's right to pursue each and every remedy in this Lease or provided by law. Each right and remedy of Lessor provided for in this Lease shall be cumulative and in addition to every other right or remedy provided for in this Lease, or now or later existing at law, in equity, by statute, or otherwise.

## Entire Agreement

10.03. This Lease and the Exhibit(s) annexed to this Lease contain the entire agreement between Lessor and Lessee, and any agreement made after the execution of this Lease between Lessor and Lessee shall be ineffective to change, modify, waive, release, discharge, terminate, or effect a surrender or abandonment of this Lease, in whole or in part, unless that agreement is in writing and signed by the party against whom enforcement is sought

## Notices

10.04. All notices and demands of any kind that either party may be required or may desire to give to the other in connection with this Lease must be given by registered or certified mail, return receipt requested, with postage fully prepaid, and addressed to the party to be served at the party's address as set forth above. Any notice shall be deemed received on first attempted delivery. Any party may change the address to which notices to that party are to be directed by notice given in the manner provided in this Paragraph 10.04.

## Lessor's Entry and Inspection of Premises

10.05. Lessor, and its agents or designees, shall have the right to enter the Premises and Improvements during reasonable business hours for inspection, or to complete any work that may be necessary because of Lessee's default under any of the terms, covenants, and conditions of his Lease.

### Partial Invalidity or Unenforceability

10.06. If any term, covenant, or condition of this Lease shall be invalid or unenforceable to any extent, the remainder of the terms, covenants, and conditions of this Lease shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

### Meaning of Term "Lessor"

10.07. The term "Lessor," as used in this Lease in relation to Lessor's covenants and agreements under this Lease, shall be limited to mean and include only the owner or owners of the fee title to the Premises at the time in question. In the event of any conveyance of this fee title, Lessor named in this Lease and each subsequent grantor shall be automatically relieved, at the date of the conveyance, of all liability in respect to the performance of any of Lessor's covenants and agreements remaining to be performed after the date of conveyance, and each grantee shall be bound by all of the covenants and agreements remaining to be performed under the Lease during the time of grantee's ownership.

### Individuals Benefited by Lease

10.08. This Lease shall inure to the benefit of and be binding on Lessor and Lessee and their respective successors, and assigns except as otherwise provided in this Lease.

### Assignment and Subletting

10.09. This Lease and the Term and estate granted by this Lease, or any part of this Lease or that Term and estate, may not be subleased or assigned.

### Quiet Enjoyment

10.10. Lessor covenants and agrees that Lessee, on payment of the rent and other charges provided for in this Lease and fulfillment of the obligations under the covenants, agreements, and conditions of this Lease, shall lawfully and quietly hold, occupy, and enjoy the Premises during the Term of this Lease without any interference from anyone claiming through or under Lessor.

*Note: The remainder of this page is intentionally left blank.*

IN WITNESS WHEREOF, Lessor and Lessee have executed and signed this Lease or have caused this Lease to be executed and signed as of the day and year first written above.

Lessor

The School Board of Pinellas County,  
Florida

By: \_\_\_\_\_

Chairperson

Attest: \_\_\_\_\_

Superintendent

Lessee

WORKNET PINELLAS, INC.

By: \_\_\_\_\_

Chairperson

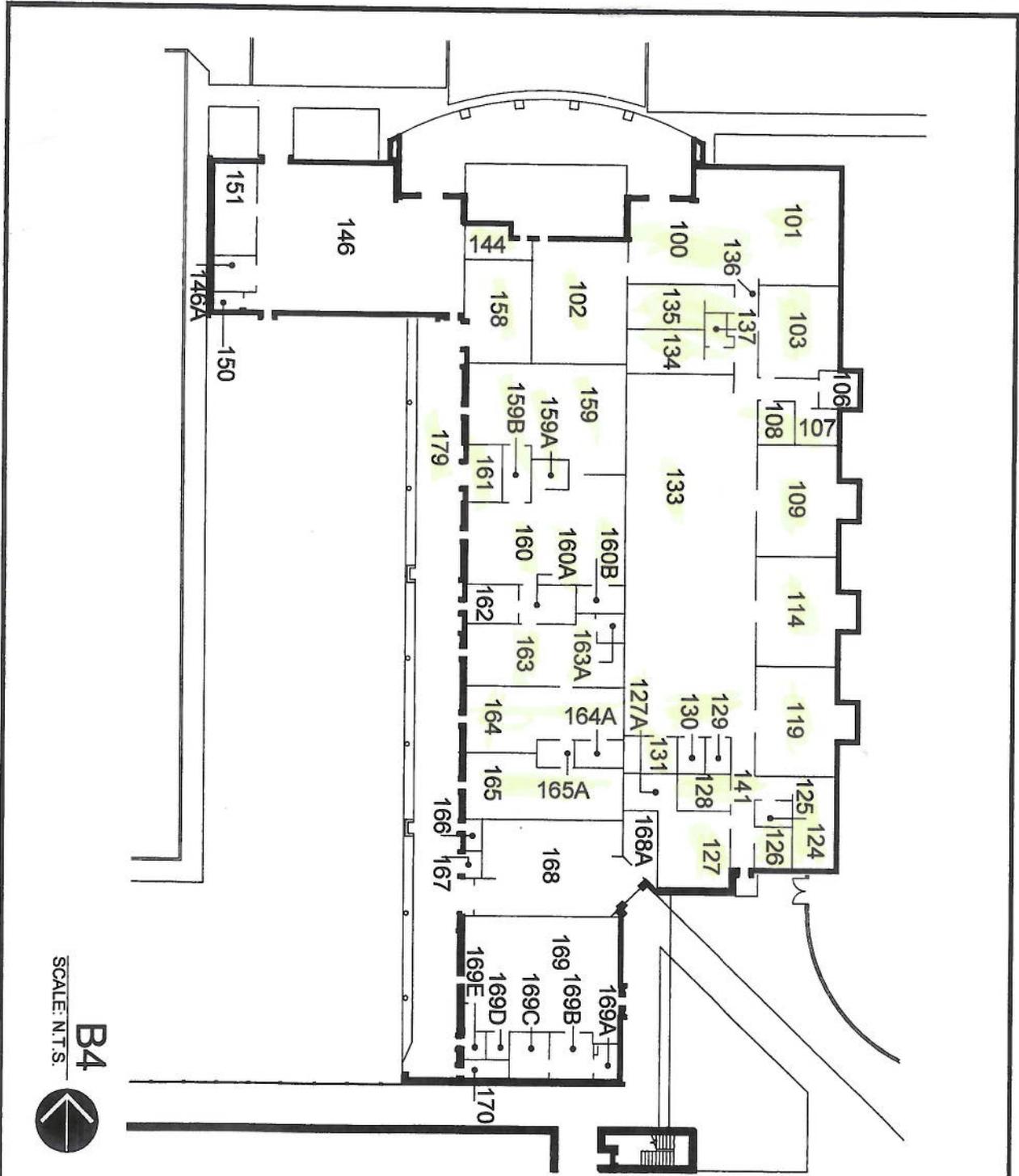
Jack J. Geller, Esq.

Printed Name

# Exhibit A

## Building 4 "Premises"

(shown in the highlighted area below)



SCALE: N.T.S.  
**B4**

8 of 9	Name of School	Facility No.	Date:	03.26.04	THE SCHOOL BOARD OF PINELLAS COUNTY, FLORIDA
	St. Petersburg Vocational- Technical Institute	00100	Scale:	N.T.S.	
			Revised:	05.02.16	

**CareerSource Pinellas  
Consent Agenda of Executive Committee Meeting  
05/02/2018**

**Actions Approved At CareerSource Pinellas Executive Committee Meeting**

***Any Board Member shall have five days from receipt of these minutes within which to request that an action of the Executive Committee be brought before the full Board. If no such request is made, the actions of the Executive Committee shall stand.***

**Date:** May 2, 2018, at 11:00am

**Location:** 13805 58<sup>th</sup> Street North

**Call to Order**

Chairman Geller called the meeting to order at 11:00am.

There was a quorum present with the following Executive Committee members participating.

**Committee Members in attendance**

Dr. Robert Arnold (phone), Tom Bedwell, Jack Geller, Commissioner Patricia Gerard, Michael Mikurak, Lenne Nicklaus (phone), William Price (phone).

**Committee Members not in attendance**

Karla Leavelle, Sandy Ho

**Staff Present**

Jennifer Brackney, Alice Cobb, Don Shepherd, Anna Munro, Luna Clarke, Joseph Calhoun.

**Board Counsel:** Charles Harris- Trenam Law

**Guest (s):** Andrea Henning – Board Member- CSPIN

Whitney Creech - Office of Comm. Gerard

Marion Hale - Johnson Pope

Melinda McKenna- D&D reporting

Mark Puente and Zachary Sampson- Tampa Bay Times

**Chair's Report**

- Chairman provided his report, which was distributed as the Newsletter handout. The Chairman also addressed the most recent article by the Tampa Bay Times, which addressed the lack of Board members participation. The Chairman encourages members to voice their concerns and reiterated that any items may be brought forth to be discussed at full Board meetings, should any member choose to do so.

**Action Items**

**1. Approval of Minutes**

The minutes of the March 14, 2018 Executive Committee meeting were presented for approval.

Motion: Comm. Patricia Gerard

Second: Michael Mikurak

*The minutes were approved as presented. The motion carried.*

**2. WorkNet Pinellas, Inc. - Employer of Record**

WorkNet Pinellas, Inc. d/b/a CareerSource Pinellas is the employer of record for the approximately 230 employees working for both CareerSource Pinellas and CareerSource Tampa Bay. WorkNet Pinellas, Inc. administers all employment activities related to these employees. As the employer, WorkNet Pinellas, Inc. has responsibility and liability under various employment laws, payroll administration, equal employment and human resource administration.

CareerSource Tampa Bay reimburses WorkNet Pinellas, Inc. for salaries associated with staff assigned to that region. With the administrative suspension of the CareerSource Pinellas and CareerSource Tampa Bay President and CEO, the Chairs of each Board appointed two Interim Directors to oversee the day to day operations of the organization, one for CareerSource Tampa Bay and one for CareerSource Pinellas. In the interim, the Payroll Coordinator and Human Resource Director have been reporting to both Interim Directors. The duties associated with these positions, include the following:

Payroll Administrator

- Prepares and manages payroll processes of employees.
- Gathers all payroll related data and creates report.
- Reviews and calculates timesheets data and hours worked.
- Calculates salaries, wages and overtime wage sheets.
- Manages, maintains and updates payroll related data.
- Updates salary sheets and schedules.
- Answers and clarifies employees on payroll related inquiries.
- Submits payroll reports and sheets on time to the finance or other related department.
- Assists administrative or finance staff in processing payrolls of new hires or terminated employees.

Human Resources Administration

- Recruits and Selects employees
- Compensation and Evaluations
- Training and Development
- Compliance and Terminations

Equal Employment

- Assures legal compliance in hiring
- Creates equal opportunity programs
- Implements proactive policies
- Handles equal opportunity complaints.

Motion: Michael Mikurak

Second: Comm. Patricia Gerard

*To ensure continuity of service delivery and to clarify lines of authority, the Executive Committee recommends aligning these positions with the Interim Director serving CareerSource Pinellas. The motion carried.*

**3. Approval of Program Year 2018-2019 Planning Budget (Attachments 1-4)**

Career Source Pinellas has received planning allocations from the State of Florida and is anticipating a decrease in overall funding as compared to the prior year. The budgeted revenue has decreased from current budget of \$16,252,261 to a projected budget of \$11,564,332 an overall decrease of \$4,687,929. Most of the expenditure reductions are related to federal and state awards that will be ending PY2017-2018 such as the WIOA Performance Incentives, WIOA Community Based Sector Strategy Training Initiatives, WIOA Supplemental, Wagner Peyser Performance Incentives, Supplemental Nutrition Assistance Program (ERS), National Emergency Grant Sector Partnership, Robotics/Mechatronics Earmark Grant, Department of Children and Families Food For Families, Florida Makes and AmeriCorps. In addition, the Welfare Transition Program – Non Custodial Parent grant will be administered by another workforce board in FY2019. Carry-forward amounts are estimated and will be adjusted after Fiscal Year close in July.

In addition, several funding sources show a decrease because they are multiple year grants and the amount set aside for the PY 2018-2019 is less than the previous year, including the following: WIOA Community Based Sector Strategy IT Training (\$42,000), WIOA Governor's Challenge – Hurricane Maria Outreach (\$11,280), National Emergency Grant – Hurricane Maria (\$25,000), DOL YouthBuild (\$311,887), Able Trust (\$24,011) and Juvenile Welfare Board Youth Innovators (\$2,195). Lastly, the WIOA Dislocated Worker grant was reduced by 18 percent and Trade Adjustment Assistance (TAA) was decreased by 12 percent; additional TAA funding can be requested if needed.

Attachments:

FY 19 CareerSource Pinellas Planning Budget  
FY 19 Science Center Budget  
FY19 Budget Preparation – Revenue Estimates  
FY19 Budget Request supporting details.

Motion: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends approval of the planning budgets to have in place for July 1, 2018 and provide to the Pinellas Board of County Commissioners for their approval. Final submission will be provided to the State Workforce Board for review. The motion carried.*

**4. Approval of Program Year 2017 – 2018 Budget Modification No. 5 (Attachments 5-6)**

Total budgeted revenue has increased from \$15,909,627 to \$16,252,262 for an overall increase of \$342,635. This is due to the following:

Workforce Innovation and Opportunity Act Programs:

Increase in WIOA Sector Strategies Construction for \$50,000

Employment Services Programs:

Increase in Veteran's programs of \$27,635

Direct Grants and Special Programs:

New award - NEG Hurricane Maria of \$50,000

Increase in Science Center of \$215,000

Motion: Patricia Gerard

Second: Michael Mikurak

*The Executive Committee recommends approval of adjustments to the revenue budgets and resultant modifications to the expenditures budgets. The motion carried.*

**5. Financial Institution - Authorized Signer**

USAmeriBank is the Organization's financial institution. Edward Peachey – former President and CEO—is an authorized signer on this account.

On February 14, 2018, Jennifer Brackney was appointed as the Interim Director by the CareerSource Pinellas Executive Committee. The Board of Directors voted to terminate Mr. Peachey without cause, on March 21, 2018 at their regularly scheduled meeting

Motion: Patricia Gerard

Second: Michael Mikurak/ Bill Price

*The Executive Committee recommends removing Edward Peachey as authorized signer on USAmeriBank accounts and adding Jennifer Brackney as an authorized signer. The motion carried.*

**6. Discussion Item- Incentives for Staff within Business Services ( Attachments 7-8)  
(No votes were taken)**

The Account Executives and Recruiters within the Business Services Department of CareerSource Tampa Bay and CareerSource Pinellas have received monthly incentives for the past several years in accordance with a plan approved at the beginning of each program year by the President and

CEO. These incentives were in addition to these staff's base salary and were earned based on meeting established measurable monthly goals that were developed annually by the President and CEO and the Director of Business Services and distributed to the staff. Currently there are 7 Account Executives and 15 Recruiters within the Business Services Department of CareerSource Tampa Bay and CareerSource Pinellas that are eligible to earn incentives. The entry level salary in the compensation plan for these two positions was determined through the study completed by Evergreen Solutions in June 2016. See salary range below:

Position Title	Minimum Salary	Mid Salary	Max Salary
Recruiter	\$40,000	\$ 52,000.00	\$ 64,000.00
Business Account Executive	\$46,600	\$ 60,600.00	\$ 74,600.00

However, due to the potential to earn incentives (up to \$16,800 annually in Program Year 2017-2018), new staff hired into the Recruiter positions were hired at a salary of \$35,000. In all cases in the last several years, Account Executives were promoted from Recruiters within the organization at a salary of \$45,500 and not recruited/hired from external sources. Examples of the pre-defined goals established for Account Executive and Recruiter positions for this current program year are shown in Attachment I. These goals, included as examples, were adjusted/revised for "specialty" Account Executive and Recruiter positions. Each month staff report their actual results, those results are audited and a comparison against goals is completed. If staff exceed their monthly goals, an established incentive is paid. The incentive plan put into place at the beginning of this program year, July 1, 2017, remains active and the Account Executives and Recruiters continue to earn incentives under this plan. Account Executive and Recruiters' goals change each year; in one previous year for example, the goals were based on a team's achievements. The average incentive earned and paid to Recruiters and Account Executives in calendar year 2017 was \$5,234.76. Graphs showing the amount of incentives earned and paid to each Recruiter and Account Executive in 2016 and in 2017 are shown in Attachment II. Please note that the incentive plan usually changed mid calendar year with the change in our program year which begins July 1<sup>st</sup> of each year.

No other staff within CareerSource Tampa Bay or CareerSource Pinellas, including other Business Services staff, have the opportunity to earn monthly incentives for work accomplished and/or goals met. In addition, in 2016 when Evergreen Solutions surveyed other workforce boards within the state to quantify the incentives they provided to staff, they reported "WorkNet currently offers employees in the Recruiter and Lead Business Services Recruiter additional financial incentives based on successful performance. Evergreen included questions relating to this incentive pay in its survey process. Of those peers that responded to these questions, none provided an incentive for their recruiter positions in the form of a one-time incentive. However, these same peers acknowledged that these employees' placement rates are a major factor in the performance review process, which determines the size and eligibility of employee raises."

Finally, questions have been raised in the last few months as to whether the goals included in these incentive plans resulted in practices that are now being questioned as to their allowability and appropriateness.

### **Discussion**

The CareerSource Tampa Bay and CareerSource Pinellas Committees and Boards should discuss and determine if these monthly incentives for the Account Executive and Recruiter positions within the Business Services Department are justifiable, relevant, reasonable, defensible, and necessary to accomplish the vision of the Workforce Innovation Act – to "improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet the skill requirements of businesses and enhance the productivity and competitiveness of the Nation."

If the Board determines that these monthly incentives for the Account Executive and Recruiter positions within the Business Services Department should continue, then further discussion will be needed on at least the following topics:

- How the incentive plan will be structured going forward (i.e., timing of incentives, difficulty vs. simplicity of plan, etc.),

- The types of goals/objectives that should be established to ensure unintended results are not achieved (what you measure is what you'll get),
- The balance needed in the actual measurable goals that will motivate but not discourage staff,
- The percentage of total salary or amount that should be available to be earned as incentives, and
- Whether or not there will be a cap on the amount of incentive available to be earned.

If the Board determines that these monthly incentives for the Account Executive and Recruiter positions within the Business Services Department should not continue, then further discussion will be needed on at least the following topics:

- Will these incentives be ended immediately or phased out over a period of time,
- What will take the place of these incentives (such as a salary increase, non-monetary incentives, etc.), if anything, and

Will this put CareerSource Tampa Bay and CareerSource Pinellas at a disadvantage in future recruiting to fill any vacancies in these positions?

**Outcome**

*No action was taken on this matter. The Committee recommends keeping the incentives plan the way it is, for the time being. Staff and HR will work to provide recommendations on possible options to move forward. The Committee will reconvene in the new fiscal year for further discussion on the matter, after a clearer organizational structure has been established.*

**7. Compensation and Goals for Interim Directors (Attachments 9-12)**

With the administrative suspension of the CareerSource Pinellas and CareerSource Tampa Bay President and CEO on February 14, 2018 and February 2, 2018 respectively, the Chairs of each Board appointed a current staff Director to serve as Interim Director to oversee the day to day operations of the organization and ensure a continuity of service delivery. As the length of this assignment was undetermined, no adjustment in compensation was authorized at the time of the appointment. The roles and responsibilities of the Interim Director position are significantly more comprehensive and wide-ranging than the roles and responsibilities of the positions these individuals had before their appointment as Interim. See position descriptions under Attachment I. Juditte Dorcy was the Director of the Youth Department (Director of Programs) overseeing the delivery of services to youth and Jennifer Brackney was a Director of Projects responsible for various special projects such as grant writing and drafting the organization's five year plan. Goals were established previously by the Compensation Committee and then full CareerSource Pinellas Board for the President and CEO – those annual goals are shown in Attachment II. In this current situation, these goals may or may not be reasonable and applicable for the two Interim Directors. The goals set for the Interim Directors for their previous position's responsibilities are not applicable to this new role as Interim. The salary ranges in the compensation plan for these two Director's and President and CEO positions follow:

Position Title	Minimum Salary	Mid Salary	Max Salary
Director of Projects	\$ 74,000.00	\$ 96,200.00	\$ 118,400.00
Director of Programs	\$ 79,900.00	\$ 103,900.00	\$ 127,900.00
President and CEO	\$ 140,000.00	\$ 182,000.00	\$ 224,000.00

Both the CareerSource Pinellas and CareerSource Tampa Bay Boards have, in publicly noticed meetings, voted to terminate the President and CEO without cause effective with the latest date of a vote by the Board on March 21, 2018.

**Discussion**

The CareerSource Tampa Bay and CareerSource Pinellas Committees and Boards should discuss and determine if it is justifiable, reasonable, and defensible to adjust the compensation of both Interim Directors, Jennifer Brackney and Juditte Dorcy and, if so, the method of that

increase (salary increase, monthly bonus tied to goals accomplished, end of interim assignment bonus tied to accomplishments, etc.) and the amount of the adjustment. In addition, regardless of the decision on compensation, measureable and meaningful goals should be established for the Interim Directors and a process of evaluation of accomplishments should be designed and implemented.

**Attachments**

- Attachment I – Position descriptions
- Attachment II – President and CEO annual goals
- Attachment III – Current compensation
- Attachment IV – Accomplishments to date

**Previous motion**, made by Compensation Committee: The Compensation Committee recommends that each Interim Director be compensated an additional one thousand dollars (\$1000) per month, for every month that they have been performing, and continue to perform their Interim duties.

**The motion was amended as follows:**

1. Increase Jennifer Brackney’s base salary by \$5000, retroactively to February 1, 2018, when she took on the roles of Interim Director. This will put both Brackney and Dorcy on equal salaries.
2. Compensate both Interim Directors an additional one thousand dollars (\$1000) per month, retroactively, beginning February 1<sup>st</sup>, 2018, for every month that they have been performing, and continue to perform their Interim duties.
3. Change titles to “Interim Executive Director”.
4. This action shall be reviewed in 2 months’ time.

Motion: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends approval of the amended motion. The motion carried.*

**8. Approval of Minutes**

The minutes of the April 12, 2018 Joint Ad Hoc Committee meeting were presented for approval.

Motion: Michael Mikurak

Second: Tom Bedwell

*The minutes were approved as presented. The motion carried.*

**Other Administrative Matters**

There were none.

**Information Items**

**A. Science Center Update**

The Science Center is an independent, science and technology center dedicated to delivering innovative, dynamic learning experiences that piques the curiosity of young minds, while laying a foundation for relevance of STEM to their future career options. It is located on seven acres in west Saint Petersburg; the 28,000 square foot space features a planetarium, observatory, and a 600-gallon marine touch tank. Through real-world applications, we expose people of all ages to the possibilities of science and technology to create a better future for young science enthusiasts, the Science Center provides hands on classroom activities and educational camps that explore our environment, robotics and outer space! For adults, the Science Center offers employability skills programs for occupations in high demand and workshops to expand career development in a professional learning environment. In addition to providing valuable scientific and high tech experiences, the Science Center supports local businesses and industry with current workforce needs assessments, customized training and solutions for growth. The Science Center is in the midst of a transformation that will enable us to expand the STEM education and career development

offerings in Pinellas County. As we embark on this next chapter, the commitment to provide innovative STEM education continues. Therefore, as we think about the future of the Science Center, we must also consider the financial impact. Background: 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. In order to move forward strategically and, in an effort to provide pertinent information well in advance of 12/10/2019, we are in the process of reaching out to the financial institution to determine options for the balloon payment.

**B. Financial update for period ended March 31, 2018 (Attachment 13)**

The grant award to expenditures report was provided in the meeting packet. CareerSource Pinellas has expended approximately 57% of its 2017-2018 budgets

**C. Anonymous Letter dated 4/13/2018 (Attachment 14)**

An anonymous letter was received by Commissioner Patricia Gerard. This item was included in the packet and has been shared with the Board.

**D. Board Members Attendance (Attachment 15)**

A roster was provided at the meeting, detailing Board members attendance from 2016 thru 2018 (current).

**E. Board of County Commissioners Workshop of April 17, 2018**

- The Pinellas Board of County Commissioners met on April 17, 2018 for a workshop.
- General discussion regarding the workshop ensued: i.e.: current board members to re-submit applications to serve on the board

**Presentation by Board Counsel (PowerPoint attached)**

Board Counsel (Charles Harris) provided a review on who has the authority to remove Board Members, based on Federal and Florida Statutes. The Executive Committee approved Counsel to work with the County Attorney and County Commissioners, to resolve any differences.

**Committee Reports**

- Ad Hoc Committee: The Joint Ad Hoc Committee met on April 12<sup>th</sup> at the Epicenter. The minutes of that meeting were presented for approval at today's meeting. The main purpose was to continue the discussion around the organizational structure, and options to consider when moving forward.
- Audit Committee: We have reached out to the audit firm Powell and Jones and will schedule a review of internal controls and reports during the first part of May. We will schedule an audit committee meeting following the review
- Finance Committee: The Finance Committee met on April 24, 2018. The items discussed were the Budget Mod.# 5, the Financial institution authorized signer, and the Science Center loan update. Those items were presented/ discussed at today's meeting.
- Compensation Committee: At our committee meeting on April 2<sup>nd</sup> two items were on the agenda for committee consideration: incentives for Business Services staff and compensation and goals for the two Interim Directors. After a lengthy discussion the Compensation Committee determined that the incentives for Business Services staff currently in place should remain until further review is completed and best practices are identified. This will be brought back to the Committee for review and action. The Compensation Committee also decided that it was justifiable, reasonable, and defensible to increase the base salary of both Interim Directors by \$1000/month retroactive to the start of this interim director assignment in consideration of the additional workload and responsibilities both individuals agreed to when they were asked to serve as Interim Director. The Committee is recommending that this increase remain in place until it is reconsidered by the Executive Committee and full Board.
- One Stop Consortium: The date for the next One Stop Committee meeting has been changed to May 17<sup>th</sup> from original date of May 24<sup>th</sup>. The change allows us to accommodate the Pinellas County school schedule and the annual presentation of our "Teach for Excellence" 2017-2018 grantee

winners. The meeting will be here at the EpiCenter at 9:00 am. A reminder notice will be sent. We would also like to invite the executive committee members to join us at the upcoming meeting if you are available. The Teach for Excellence 2017-2018 STEM/Career Education grant recipients will do a presentation for the committee on the usage and impact of their grant award. Our winners this year include the following schools and projects. Grant awards are up to \$5,000.

- Largo Middle School – Beat the Flood
- Carwise Middle School – Carwise Media Production Project
- Bay Point Middle School – 3D Automotive Engineering (sounds very exciting!!)
- Gulf Beaches Elementary School – Laser Creation
- Azalea Middle School – Urban Robotics Project
- Disston Academy 3D Printer Technology and Video Project

Again, the next meeting is scheduled for Thursday, May 17th at 9 am.

-Workforce Solutions: The next meeting will be **Tuesday, May 15** at 2:30 pm at the EpiCenter.

-Science Center Committee: The last Science Center Committee meeting was cancelled. The next meeting will be **Friday, May 25** at 11 am at the Science Center in the JWB auditorium. Some highlights from this upcoming meeting are:

**Let's Pave the Way - Science Center Parking Lot Beautification:** Through a capitalization grant award from the Juvenile Welfare Board, funding is available to repave the parking lot and restripe lines. The \$38,000 renovation also includes the non-paved parking lot inside the back fence, used by staff and vendors. Work starts in May and is to be completed prior to the start of Summer Camp 2018.

**Summer Camp 2018:** Summer Camp outreach has been underway! Youth reservations to date are just over 100 with roughly 1/3 of registered youth using before and after care. We hope to have about 600 attendees again this year. Summer camp 2018 starts on May 29<sup>th</sup> and will run thru August 10<sup>th</sup>. A great menu of camp activities and events are on deck for the summer. Any interested parents are invited to go online to register <http://www.sciencecenterofpinellas.org/youth/>

#### **Interim Executive Director's Report**

- The DEO/USDOL provided a "soft exit" update of their on-site monitoring on April 20, 2018. Some of the recommendations were related to: tightening internal controls, re-issuing the One-Stop Operator procurement, adhering to Sunshine Provision by posting minutes and agendas online. It was also recommended to conduct additional training of board members, to review their roles, responsibilities in the governance of the organization.

#### **Public Comments**

None

#### **Adjournment**

The meeting was adjourned at 12:30 P.M.

#### **Actions Approved At CareerSource Pinellas Executive Committee Meeting**

***Any Board Member shall have five days from receipt of these minutes within which to request that an action of the Executive Committee be brought before the full Board. If no such request is made, the actions of the Executive Committee shall stand.***

**CareerSource Pinellas  
Consent Agenda of Executive Committee Meeting  
06/06/2018**

**Actions Approved At CareerSource Pinellas Executive Committee Meeting**

***Any Board Member shall have five days from receipt of these minutes within which to request that an action of the Executive Committee be brought before the full Board. If no such request is made, the actions of the Executive Committee shall stand.***

**Date:** June 6, 2018 at 11:00am

**Location:** 13805 58<sup>th</sup> Street North

**Call to Order**

Chair-Elect Michael Mikurak call the meeting to order at 11:00am.

There was a quorum present with the following Executive Committee members participating.

**Committee Members in attendance**

Dr. Robert Arnold (phone), Tom Bedwell, Commissioner Patricia Gerard, Karla Leavelle, Michael Mikurak, Lenné Nicklaus, William Price

**Committee Members not in attendance**

Jack Geller

**Staff Present**

Jennifer Brackney, Alice Cobb, Don Shepherd, Sheila Doyle, Jody Toner, Luna Clarke, Linsey Stiglic, Joseph Calhoun.

**Board Counsel:** Kelly Ruoff in lieu of Charles Harris – Trenam Law

**Guest (s):**

Juditte Dorcy – CareerSource Tampa Bay

Richard Peck – CareerSource Tampa Bay

Whitney Creech - Office of Comm. Gerard

Kenneth Jones – Hillsborough County

Robyn Conley – public

Stacey Swank – Pinellas County Economic Development

Zachary Sampson- Tampa Bay Times

**Chair's Report**

- Chairman provided his report, which was distributed as the Newsletter handout.

**Action Items**

**1. Approval of Minutes**

The minutes of the May 2, 2018 Executive Committee meeting were presented for approval.

Motion: Tom Bedwell

Second: Commissioner Gerard/ Dr. Arnold

*The minutes were approved as presented. The motion carried*

**2. Revised Local Workforce Services Plan (Attachment 1)**

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. (Please see plan handout) 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.

Motion: Comm. Gerard

Second: Karla Leavelle

*The Executive Committee recommends approval of the revisions made to the 2016-2020 Local Workforce Services Plan: Two-Year Modification for LWDB 14. The motion carried.*

### **3. Transition Extension (Attachment 2-3)**

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, and 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. Depending on how and when CareerSource Tampa Bay decides to move forward with the selection of their staff, CareerSource Pinellas, as the current employer of record, may be required to issue a WARN notice on or around June 1, 2018 to the State of Florida due to the potential number of individuals working in Hillsborough County who may be laid off. 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.

**Recommendation to approve the request from CSTB to extend the transition deadline from July 1, 2018 to September 1, 2018. To move forward with staffing plan to minimize the impact of shared staff.**

*This motion was tabled and requested to be discussed at Board of Directors meeting June 27, 2018 and with specific stipulations added that will address which company will be liable for absorbing litigations resulting from potential layoffs and unemployment claims. Recommendation to enlist Board Counsel's assistance in this matter.*

### **4. Gulf Coast Jewish Family and Community Services, Inc. Contract Amendment Non-Custodial Parent Employment Program (Attachment 4)**

On May 3, 2017, the CareerSource Pinellas Executive Committee approved the issuance of a one-year agreement to Gulf Coast Jewish Family and Community Services, Inc. (Gulf Coast JFCS) for the operation of the Non-Custodial Parent Employment Program (NCPEP) in the Tri- County (Hillsborough, Pinellas and Pasco) and Miami service delivery areas. The agreement is effective July 3, 2017-June 30, 2018 in the amount of \$1,376,000. The goals of this program are to assist non-custodial parents in finding employment; increase the payment of child support; increase long-term job retention; wage increases and upgraded positions; and increase the reporting of existing employment and earnings. Funding for the NCPEP is provided by State and Federal Awards. Gulf Coast JFCS identified an additional need of \$50,000 to cover salaries, office supplies and supportive services to operate the NCPEP Program. This contract has been administered by CareerSource Pinellas for the past few years. Due to a State legislative decision, the contract will transfer to CareerSource Pasco for program year 2018-2019.

Motion: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends the amendment of the contract to provide \$50,000 in additional funds to Gulf Coast Jewish Family and Community Services for the operation of the Non-Custodial Parent Employment Program. This motion carries with the stipulation that going forward justifications will be presented, describing why additional funds are being requested. The motion carried.*

#### **5. HR Consulting Services (Attachments 5-6-7)**

In anticipation of the upcoming retirement of the HR Director and the transition of CareerSource Pinellas and CareerSource Tampa Bay, WorkNet Pinellas, Inc., d/b/a CareerSource Pinellas requested written bids from qualified firms with the expertise to provide HR consulting services to our non-profit organization. The HR Consultant would assist with the transition of staff, analyze the current day-to-day operations, identify best practices, and make suggestions for improvement. The scope of the work may be expanded in PY 2018-2019 (July 1, 2018 – June 30, 2019) depending on the operational direction of the organization. The following companies submitted their bids:

1. hrEdge
2. Engagement Advisors

Each written bid included:

1. The name of the organization, number of years the organization has been in existence, contact person representing the organization, phone, email address, mailing address, and website.
2. Copy of the organization's legal status from the Florida Division of Corporations or Dunn and Bradstreet number.
3. A statement of the organization's qualifications; including a brief summary of similar work performed in the last two years.
4. Proposed cost for these services.
5. Resume(s) of key staff to be assigned to this engagement
6. Three professional references
7. A cover letter signed by a person that has the authority to commit the bidder and that clearly shows the firm has an understanding of the engagement and can deliver the services within the time frame.

Anticipated Scope of Work:

- Serve as an HR expert consultant to CareerSource Pinellas
- Analyze the current HR day-to-day, periodic and annual processes and procedures
- Advise management on the formulation and administration of plans policies and appropriate short and long range goals for human resource activities
- Conduct an audit of the HR activities to ensure compliance with laws, policy and procedures
- Identify best practices and areas for improvement
- Assist with developing, recommending, and advising on or overseeing] implementation of changes for improvement
- Review performance evaluation process and forms and provide suggestions on best practices.
- Ensure all files, contracts, public records requests and pertinent documents are available and filed. Provide training on specific subjects to be identified such as FMLA, harassment, etc.
- Review personnel handbook and provide suggestions to bring into compliance with laws, recent case law, etc.
- Create a work plan and timeline outlining the transition activities
- Create a report highlighting best practices, areas of improvements and recommendations

Motion: Comm. Patricia Gerard

Second: Tom Bedwell/ Karla Leavelle

*The Executive Committee recommends entering into contracts negotiations with Engagement Advisors as the HR Consultant. This motion carried.*

#### **6. One Stop Lease Agreement CareerSource Pinellas Center in St. Petersburg aka South County (Attachment 8)**

The premises 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."

Motion: Tom Bedwell

Second: Karla Leavelle

*The Executive Committee recommends the 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. This motion carried with the stipulation to be added as an informational item for the Board of Directors meeting on June 27, 2018.*

#### **7. Budget Realignment Grant Agreement SL035 – Mechatronics Program (Attachments 9-10)**

On August 4, 2017, the State of Florida, Department of Economic Opportunity and CareerSource Pinellas entered into a Grant Agreement for \$400,000 for the period July 1, 2017 through June 30, 2018 to develop curriculum and provide training in the interdisciplinary field of Mechatronics. The goal of this program is to provide skills development programs for Adults and Youth. The grant requires us to serve 48 adults in Mechatronics, 50 youth in Robotics and 20 OJT (On -the-Job Training). Programs include: Mechatronics, Robotics, Soldering & Cabling, and OJT. The 50 youth will receive services through summer, winter, and spring STEM camps.

Motion: Tom Bedwell

Second: Lenne Nicklaus

*The Executive Committee recommends the approval to move forward with budget-realignment, to realign the lint item costs (salaries and benefits, software, supplies and training related) to facilitate the operational and financial needs of the Program. This motion carried.*

#### **8. Contract Renewal: Pinellas Education Foundation**

CareerSource Pinellas entered into an Agreement dated June 30, 2015 for the provision of Youth Development Services with Pinellas Education Foundation (PEF) for region 14. The award may be extended for up to three one-year periods based on funding and/or approval. CareerSource Pinellas requests approval to enter into a third renewal of the Agreement for the term July 1, 2018 through June, 2019 estimated contract amount of \$600,000 composed of \$530,000 funded by CareerSource Pinellas and \$70,000 PEF scholarship match.

Motion: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends the approval to move forward with contract renewal for the term July 1, 2018 through Jun 30, 2019. This motion carried.*

#### **9. Juvenile Welfare Board: Funding Renewal Process FY19 (Attachment 11)**

CareerSource Pinellas has received a preliminary award of Juvenile Welfare Board (JWB) funding in the amount of \$40,808 for the past two years. Through this grant we created the Youth Innovators of Pinellas, a 30 week after school program that exposes youth to 3-D printing and Fusion 360, to middle school students attending Oakgrove and Morgan Fitzgerald. Youth meet two days per week for 90 minutes. Students have the opportunity to earn a certification of completions based on established milestone points in the Fusion 360 computer training program. JWB requires an annual funding renewal process which requires completion of the packet to include: Provider Certification FY 19, FY 19 Insurance Survey and FY 19 Targeted Service Level Proposal.

Motion: Comm. Patricia Gerard

Second: Bill Price/ Karla Leavelle

*The Executive Committee recommends the approval to enter into funding renewal process with Juvenile Welfare Board (JWB) for FY 2019. This motion carried.*

#### **10. RFP Issuance: One Stop Operator (Attachment 12)**

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: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends the approval of issuing the One Stop Operator RFP with the stipulations that this is presented at the Board of Directors meeting June 27, 2018. The Committee also recommends 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.*

## **11. Future Plans**

Future Plans is a self-administered, Online Career Planning Tool aimed to assist individuals discover their aptitudes, interests, and values so they choose the best in-demand career pathway. This online application was developed in partnership with the Pinellas Education Foundation and Pinellas County Schools. CareerSource Pinellas began usage in April 2016 in the one stop centers.

Previous program year PY2017-2018: CareerSource Pinellas and CareerSource Tampa Bay jointly entered into an annual agreement for \$10,000 and unlimited assessments at 5 sites. To date, over 1000 individuals have completed Future Plans as part of their career development planning.

Proposed for PY2018-2019

- 650 assessments at 3 different sites
- Cost of \$6.00 per assessment
- Total Cost of \$3,900.00

Motion: Comm. Patricia Gerard

Second: Bill Price

*The Executive Committee recommends the approval to continue delivery of Future Plans assessment through One Stop centers by entering into a renewal agreement for CareerSource Pinellas. This motion carried.*

## **12. Work Number**

The Work Number now under New Relic at Carahsoft is an online service used by the Department of Children and Families, multiple Local Workforce Boards and other social service agencies for verification of employment. CareerSource Pinellas has used the Work Number service for multiple years. It was originally a free service to social service agencies, but beginning in 2016, a fee was charged for the

service. Last program year, CareerSource Pinellas and CareerSource Tampa Bay entered into a joint agreement.

**Previous Joint Contract:**

PY2017-2018	Joint Agreement	
Annual # of Hits	6,000	
Cost Per	\$9.50	
<b>Breakdown of Cost</b>		
Set Up Fee \$125.00		Waived
Monthly Fee	Times	Total Cost
\$4,500.00	12 months	\$54,000.00
Account Service Fee	Times	Total Cost
\$260.00	12 months	\$3,120.00
<b>Total Cost</b>		<b>\$57,120.00</b>

**Proposed Pinellas only Contract:**

PY 2018-2019	CSPIN Only	
Annual # of Hits	1,500	
Cost Per	\$16.20	
<b>Projected Cost</b>		
Set Up Fee \$125.00		\$125.00
Monthly Fee	Times	Total Cost
\$2,025.00	12 months	\$24,300.00
Account Service Fee	Times	Total Cost
\$140.00	12 months	\$1,680.00
<b>Total Cost</b>		<b>\$25,980.00</b>

Vendor also offers CareerSource:

2400 hits	\$30,000.00	\$15.00 cost per
2700 hits	\$37,530.00	\$13.90 cost per

Last Year's Usage: CareerSource Pinellas – 1418 hits

Motion: Comm. Patricia Gerard

Second: Tom Bedwell

*The Executive Committee recommends entering into an agreement with New Relic for employment verification services Program Year 2018-2019 at the level of 1500 hits. Staff will work with other regions, including CareerSource Tampa Bay to attempt to leverage a better cost. This motion carried.*

**13. SARA Contract Renewal**

SARA is an innovative customer-engagement, case management support system built with artificial intelligence and coded to support the WIOA and WTP program requirements and service delivery. The SARA application, launched in the spring of 2016, is viewed as a personal assistant for the CSPIN case manager within the Welfare Transition Program and the Workforce Innovation Opportunity Act program for both youth and adults.

The application provides customers and CSPIN staff with instant communication through texting or emailing, sends customer reminders, and helps with appointment setting. Customers can also submit their documentation or program requirements directly through SARA. SARA also updates the Employ Florida (EF) and OSST MIS systems for the case manager.

**Renewal Cost**

Selected Product and Vendor: Renewal of the SARA Application and User Agreement

Total Projected Cost: \$49,300

Supports: WTP, WIOA and WIOA Youth Programs for 14 staff users and 7 administrator users.

Motion: Comm. Patricia Gerard

Second: Tom Bedwell

*The Executive Committee recommends the contract renewal with ERISS for the SARA application and user agreement and moving forward with the contract renewal Program Year 2018-2019. This motion carried.*

**14. Phone and Handsets to Align with System Upgrade**

CareerSource completed procurement for a new phone system during last program year. The purchase of new phone and handsets was not included in the scope of new system. Issues are arising with old equipment. Issues: 1. We were able to bypass the upgrade of handsets last year because the current handsets are compatible with the new upgraded phone system. Although this was

acceptable last year, we don't believe it to be possible to get by with outdated equipment much longer given issues that IT has seen arise and age of equipment. Current handsets are over 10 years old, and the life cycle of a phone with handsets is generally 4-5 years.

2. Current phones use an obsolete power adapter for the handset that is another major problem area as these are also aging and many are breaking due to age. We have been patching broken adapters together to extend their lifespan, but we are running low on supplies and currently unable to identify a replacement source. 3. The quantity of handsets needed is 170 due to the number of lines we have available across the various centers supporting staff, partners and customer usage. We currently have over 190 phone lines, and that includes providing phone service for staff, customers and partners such as Junior Achievement, Coptic Charities, NCPEP, as well as any other partner organizations.

Selected Product and Vendor: Atlas Phones Astra 6865i Desk Phone with handset

Cost: \$105.00; Number Requested: 170 Desk Phone with handset; Total Projected Cost: \$17,850.00

Motion: Karla Leavelle/ Comm. Gerard

Second: Lenné Nicklaus

*The Executive Committee recommends approval of the purchase of 170 Phone Handsets needed to ensure staff, partner and customer support, and moving forward with purchase and installation prior to June 30, 2018. This motion carried.*

### **15. Center Computer Upgrade**

CareerSource has followed recommended DEO and DMS standard to maintain a 5-year cycle of PC replacement to avoid outdated and incompatibility hardware given the ongoing change in IT innovation and upgrades. Across most years, CSPIN has been able to maintain this practice. However over the last couple of years, there were some areas within our IT infrastructure not upgraded.

Current Recommended Replacement Need: Area of need is within the current resource rooms and interactive labs at the Gulf to Bay and South County centers. A breakdown of current PC inventories is as follows

- Gulf To Bay Center: Resource room and Lab contains 25 PCs purchased in 2010 and 2011, these are overdue at age 7 and 8 years respectively;
- South County Center: Resource room contains 25 PCs purchased in 2012; these are overdue at age 6 years.

Selected Product and Vendor: Follow State Procurement vendor and product selection

Cost: \$900.00

Number Requested: 50 PCs

Total Projected Cost: \$45,000.00

Motion: Comm. Patricia Gerard

Second: Tom Bedwell

*The Executive Committee recommends approval of the purchase of up to 50 personal computers (PCs) needed to ensure age of current inventory is maintained as well as capacity and functionality.*

*Additionally, to move forward with purchase and installation prior to June 30 to maintain 5-year replacement plan. This motion carried.*

### **16. Invitation to Negotiate (ITN) Issuance – Employed Worker Training**

CareerSource Pinellas is offering local employers assistance with Employed Worker Training (EWT) and Incumbent Worker Training (IWT) based upon the Invitation to Negotiate (ITN) parameters. The EWT/IWT program is designed to assist existing employees in developing higher technical skills and receiving increased wages. This program is not intended for onboarding or new hire training. This program is designed to improve workforce availability and skills to support the identified targeted sectors within Hillsborough, Pasco, Hernando, and Pinellas Counties. This strategy serves to promote business retention and contribute to the overall economic growth within the region.

The proposed program will be funded at the level of \$250,000.00 with a cap per employer of \$25,000 to \$50,000 depending upon response and funding. Awarded Employers must meet the following criteria:

- Nationally Recognized Certificate, ETA and WIOA Approved
- Employer 50% Match
- Training started and completed by May 30, 2019
- Agreement Closeout by June 30, 2019

The funding period will be July 1, 2018 through June 30, 2019 based upon ITN parameters and available funding.

Motion: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends the approval to issue an ITN for Employed Worker Training. This motion carried.*

### 17. Florida Business Tax Application

The Science Center sells various small dollar items (individually less than \$15) such as rock candy, astronaut ice cream, etc. to children who attend the STEM classes and holiday camps. The Organization is required to report and remit the sales tax collected to the Department of Revenue using a sale tax certificate number. The sales tax certificate number is obtained by completing the Florida Business Tax Application.

Motion: Lenné Nicklaus

Second: Comm. Patricia Gerard

*The Executive Committee recommends the approval of the Florida Business Tax Application. This motion carried.*

### 18. Approval of Training Vendor: Computer Coach Training Solutions (ID# 5831)

Computer Coach Training Solutions has a provisional license from the Commission for Independent Education. Staff conducted a site visit on 5.4.18. Computer Coach Training Solutions is reporting to FETPIP.

Program – Course # - Type of Degree or Certificate	Books & Supplies	Tuition & Fees	Total Cost	Duration Of Training	Anticipated Wage At Placement
Business Office Specialist	Included	\$4,000	\$4,000	120	\$17.00
Cloud Integration Specialist	Included	\$4,500	\$4,500	96	\$30.00
Computer Support Technician	Included	\$6,000	\$6,000	180	\$18.00
Cyber Security Specialist	Included	\$8,000	\$8,000	200	\$30.00
Data Specialist (DBA, Developer, Analysts)	Included	\$7,000	\$7,000	140	\$30.00
Front End Web Development	Included	\$8,000	\$8,000	200	\$25.00
Full Stack Web App Developer	Included	\$8,000	\$8,000	200	\$30.00
IT Network Administration Cisco	Included	\$5,000	\$5,000	120	\$30.00
IT Security Professional	Included	\$6,000	\$6,000	160	\$20.00
IT Service Management	Included	\$3,500	\$3,500	96	\$20.00
IT System Administrator Microsoft	Included	\$5,000	\$5,000	120	\$30.00
Internet Marketing Specialist	Included	\$3,500	\$3,500	76	\$30.00
Project Management Specialist	Included	\$4,200	\$4,200	104	\$25.00

School in Business: 16 years

- Total enrollments for prior year: 39 corporate training enrollments with overall satisfaction rating of a 9 out of 10
- Total Cost, Completion Rates and Average Wage at Placement for the program are comparable to other schools that offer the same type of training.
- Currently there are several training vendors for LWDB 14 that offer these IT trainings.

NOTE: In accordance with CareerSource Florida Administrative Policy #90 – WIOA Eligible Training Provider List, when the training provider has met the established criteria, LWDBs are required to approve the training provider.

Motion: Tom Bedwell

Second: Comm. Patricia Gerard

*The Executive Committee recommends the approval of Computer Coach Training Center as an approved vendor for LWDB 14. This motion carried.*

### **Public Comments**

-There was a request by Hillsborough County Liaison Kenneth Jones to address the panel.

Mr. Jones recommended that the CSTB staff be allowed to make a presentation at the Board of Directors June 27 meeting, to address the transition. The Board agreed.

### **Other Administrative Matters**

- Board members commented on the pending status of the DEO and USDOL investigations. Consensus that guidance is needed from DEO to address the role of board members in the oversight of the LWDB. It was suggested that a public request be made to DEO regarding the process used to conduct audits.

### **Information Items**

**1. Training Providers:** CareerSource Pinellas entered into individual training provider agreements with each approved training provider listed below. These agreements were approved at the March 7, 2018 Executive Committee meeting. At that time, the agreements presented were dual-branded (including both CSPIN and CSTB logo) requiring a signature from both Interim Directors. Based on directive from USDOL and, in light of the decision to cease shared services, the contracts will be re-issued for each respective region. The approved agreements dated April 1, 2018 will remain in effect until the new agreements have been re-issued and signed. The only change in the agreement will be logo and effective as date.

**2. Capital Improvement Account:** On October 30, 2015, the CareerSource Pinellas Finance Committee approved a modification to the Organization's Fixed Asset Policy. One aspect of this modification was the implementation of a capital improvement account. The capital improvement account is maintained within the general fund. The account is designated to track cash available for capital improvements to buildings as they become necessary. The current capital improvement account balance is approximately \$105,000.

**3. Science Center Loan Update:** 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. 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
- 5 year fixed rate/20 year amortization – 4.99% – monthly payment = \$4,121.27

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.

-Address: 490 1<sup>st</sup> Ave S, St Pete, FL 33701, SF available: 1,815 – 71,482. \$27 - \$28 per sq. ft.

### **4. CareerSource Florida Grant Award – Sector Strategies**

CareerSource Pinellas and CareerSource Tampa Bay submitted a joint proposal to CareerSource Florida for Sector Strategies Grants. The sector strategies grants through CareerSource Florida were issued as separate awards to CSPIN and CSTB. These grants have been implemented as one program across both sides of the bay. We will continue to work together to support these efforts on a regional basis. However, we are working to identify the best way to proceed with implementation during the transition. In addition, CareerSource Pinellas will request a date extension and a line item modification to ensure all grant requirements and performance measure are met. Community Based Training - Construction Performance Period: July 1, 2017-December 31, 2018 Total Grant Award: Region 14: \$147,125 Summary: Expanding current resources to meet the growing demand for skilled construction and manufacturing industry workers, this initiative will aid in much needed talent development to address skills gaps through the advancement of apprenticeship and pre-vocational opportunities. Sector Strategies - CareerREADY (Manufacturing and Construction) Performance Period: September 1, 2017 – February 28, 2019 Total Grant Award: Region 14: \$275,935 Summary: The CareerREADY short-term, pre-vocational programs encompassed in this initiative will provide innovative strategies that lead to industry-recognized credentials and in-demand well-paying jobs in the construction and manufacturing industries. Sector Strategies - IT Training Performance Period: July 1, 2017-December 31, 2018 Total Grant Award: Region 14: \$318,285 IT programs that are agile, customized, competency-based, and open-ended are essential to provide organizations with employees that possess the necessary skills to meet rapidly advancing industries. Eligibility: WIOA Adult and Dislocated Worker

#### **4. Financial Summary for Period ended April 30, 2018 (Attachment 13)**

The grant award expenditures report was provided in the meeting packet. CareerSource Pinellas has expended approximately 62% of its 2017-2018 budgets.

#### **Committee Reports**

##### **Nomination Committee**

Chairman Jack Geller has requested that a nomination committee be formed, to recommend a new slate of Board Officers for Program Year 2018-2019. Per our By-Laws, officers may serve two consecutive one-year terms in their role. This Ad Hoc Nomination Committee will make recommendations of new officers, and present them to the Board of Directors for a full vote.

##### **CEO Search Committee**

As part of the transition, a search committee will be needed to search for a new President/CEO for CSPIN. This committee will evaluate prospective candidates for the position, and make recommendations to the Executive Committee. The recommendation will be presented to the full Board of Directors, after the Executive Committee has voted on it.

**Calendar-** We have a new calendar for Program Year 2018 – 2019. We have a draft that will be sent to board members.

##### **Audit Committee**

The audit firm Powell and Jones has conducted a review of internal controls and procedures during the month of May. We will schedule an audit committee meeting to discuss the review, and include the report in the June 27<sup>th</sup> Board of Directors meeting.

##### **Finance Committee**

The Finance Committee 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. Those items were also included in today's meeting.

##### **Compensation Committee Report**

Since the last Compensation Committee meeting on April 12, 2018. Staff worked with Gallagher, our benefits administrator/advisor, to obtain a commitment from Cigna, our insurance carrier, to maintain rates on cost of insurance coverage to staff through December 31, 2018, the end of our current benefit year. Even with the reduction in the number of staff, Cigna agreed to the same rates.

-With the retirement of our Payroll Coordinator in May, staff are working with an ADP experienced payroll consultant to process payroll and generate the unique reports needed for our grant reporting. This consultant is working on a part time basis as did our previous Payroll Coordinator.

-80% of the Employment of Relatives Disclosure statements have been submitted by staff. Others outstanding are expected by no later than this Friday. No relationships between staff that were not already known have been disclosed thus far.

-Staff are working through the myriad of HR transitional issues that been identified with the understanding that other issues may pop up over the next several weeks.

-We will be scheduling a Compensation Committee meeting before the full board meeting to discuss the business service incentives as we move into the new Program Year beginning July 1, 2018

#### **Workforce Solutions Committee**

The Workforce Solutions Committee meeting met on May 16<sup>th</sup> 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 31<sup>st</sup>, which the executive members will find in their packets. The next Committee meeting is scheduled for **August 2018**.

#### **One Stop Committee**

The One Stop Committee meeting met on May 17<sup>th</sup> 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 and 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 6 Career Education grant recipients presented a wide range of creative and innovative projects how this year's winners use their grant dollars and impact to their students and often school. Grant awards are up to \$5,000. Staff is working to secure one of the schools to come present at the full board meeting later in June. The next One Stop Committee meeting is scheduled for **August 2018**.

#### **Science Center Committee**

The Science Center Committee met on **Friday, June 1<sup>st</sup>** at 11 am at the EpiCenter. Some highlights from this upcoming 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 15<sup>th</sup> prior to the start of the Summer Camp 2018.

Summer Camp 2018:

Summer camp kicked off with a bang on May 29<sup>th</sup> and will run thru August 18<sup>th</sup>. We had a total of 41 students in attendance during week 1 and a total of 48 during this week, week 2. To date, close to 400 youth has reserved a seat for Summer Camp. A great menu of camp activities and events are on deck for the summer. Recruitment and seating continues with any interested parents are still invited to go online to register at our Science Center website We will be reviewing the Cyber Security school accreditation through Commission Independent Education (CIE) and, providing an update at the next meeting.

#### **Interim Executive Director's Report**

Ms. Brackney thanked staff and the board for their support during transition.

#### **Adjournment**

The meeting adjourned at 12:39 pm.

**Actions Approved At CareerSource Pinellas Executive Committee Meeting**  
***Any Board Member shall have five days from receipt of these minutes within which to request that an action of the Executive Committee be brought before the full Board. If no such request is made, the actions of the Executive Committee shall stand.***

DEPARTMENT OF ECONOMIC OPPORTUNITY  
 CareerSource Pinellas (CSPIN)  
 LWDB 14 Exit Summary  
 January 29-February 5, 2018

WELFARE TRANSITION (WT) PROGRAM

Management Review and Operational Process Review Tool

A review of CSPIN’s management and operational practices did not reveal any major process issues. Local operating policies and procedures (LOPs) are in place to guide and administer the Welfare Transition Program.

CSPIN maintains an oversight and quality assurance process that examines programmatic operations and practices. Copies of local monitoring procedures and reports were provided to DEO monitors to support the LWDB’s monitoring activities.

Participant Case File Review

A total of 42 participant case files were reviewed.

2017-2018 Monitoring Results								
Workforce Program	Issue	Applicable Reference	Prior Year Finding	Current Year Finding	Prior Year Other Noncompliance Issue	Current Year Other Noncompliance Issue	Observation	Recommendation
WELFARE TRANSITION/ TANF	1. There were several instances where the IRP did not include all three required elements (employment goals, assigned weekly activities, and services provided to participants). Additionally, participants were assigned to more than 40 hours per week in work activities	<u>45 CFR 261.11, TANF State Plan. Memorandum dated October 22, 2014- Initial Assessments (IAs), Individual Responsibility Plans (IRPs) and Alternative Requirement Plans (ARPs), entered in One Stop Service Tracking (OSST) System.</u>	NA	N/A	N	Y	Y	LWDB staff should be reminded that an IRP must be updated to include all required elements anytime changes occur with the participant and/or they have met with program staff and were assigned to a work activity. Additionally, a participant may not be required to work more than 40 hours per week.

	2. Documentation to support JPR hours was not retained in a couple of participant case files.	<u><b>F.S. 445.010, 45CFR 260.61-62,45CFR 262, and Florida's Work Verification Plan.</b></u>	Y	Y	N/A	N/A	N/A	The LWDB must ensure that documentation or other forms of allowable verification as described in the approved Work Verification Plan are retained in the participant case file.
	3. There was an instance where employment documentation in a participant case file, verifying the rate of pay, did not match the information in OSST per the Work Verification Plan.	<u><b>445.010 (f) F.S.</b></u>	N/A	N/A	Y	Y	N/A	LWDB staff must ensure that documentation entered into the OSST system matches the employment verification form/telephone verification form and is retained in the participant's case file according to the Florida Work Verification Plan.
	4. A medical deferral was entered in the OSST system without supporting case file documentation.	<u><b>414.065 F.S., FG 05-051, FAC 65A-4.206</b></u>	N	Y	N/A	N/A	N/A	The LWDB must ensure that medical documentation is maintained in a participant's case file if a medical deferral is entered in OSST.
	5. There was an instance where the Community Service Worksite Agreement was missing from the participant's case file.	<u><b>F.S. 445.010, 45CFR 260.61-62,45CFR 262, and Florida's Work Verification Plan.</b></u>	N	Y	N/A	N/A	N/A	LWDB staff must ensure that the Community Service Worksite Agreement is completed and available for monitoring purposes.

	<p>6. The following issues were identified for the pre-penalty and sanction process:</p> <ul style="list-style-type: none"> <li>• There were instances where participants were not notified of what (s)he was required to do prior to initiating the pre-penalty.</li> <li>• In one instance, the participant was not allowed three working days to provide good cause for a second failure within 30 days.</li> <li>• Pre-penalties and sanctions are not being requested in the system in a timely manner.</li> </ul>	<p><u>45 CFR 261.14, 414.065 (F.S.), 65A-4.205, FG 03-037.</u></p>	<p>N</p>	<p>Y</p>	<p>N/A</p>	<p>N/A</p>	<p>Y</p>	<p>LWDB staff must ensure that participants are notified of their program requirements and that participants are allowed three working days to provide good cause for a second failure within 30 days. Additionally, the LWDB staff should be reminded that the pre-penalty process must be initiated at the time the failure occurred and that program participants should not be given extra time to comply with program requirements. If the participant begins complying with work requirements, the pre-penalty should be ended in the system within the 10-day counseling period. If the participant fails to meet program requirements, a sanction should be requested.</p>
<p><b>Totals</b></p>			<p>1</p>	<p>4</p>	<p>1</p>	<p>2</p>	<p>2</p>	

**NON-CUSTODIAL PARENT EMPLOYMENT PROGRAM (NCPEP)**

**Participant Case File Review**

**The sample size consisted of 14 participant case files.**

The NCPEP case files were reviewed to verify if participant eligibility was appropriately determined and that program enrollment dates in the system were entered on or after the eligibility determination dates. It should be noted that CSPIN is the custodian of NCPEP records for Regions 14, 15, and 16. Therefore, a sample of NCPEP files from each of the regions was included as part of CSPINs' monitoring review.

***The review did not reveal any Findings, Other Noncompliance Issues or Observations.***

**TANF SUMMER YOUTH EMPLOYMENT PROGRAM (SYEP)**

**Participant Case File Review**

The sample size consisted of 10 participant case files.

The SYEP is a subsidized summer employment program designed for low-income youth. The team reviewed the SYEP case files to verify if participant eligibility was appropriately determined and that program enrollment dates in the system were entered on or after the eligibility determination dates.

*The review did not reveal any Findings, Other Noncompliance Issues or Observations.*

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)**

**Management Review and Operational Process Review Tool**

A review of the LWDB operating processes and practices revealed that LOPs are in place to administer and manage SNAP, including a process for increasing caseload size and establishing performance benchmarks for actively engaging participants in SNAP services and activities.

**Participant Case File Review**

A total of 47 participant case files were reviewed.

2017-2018 Monitoring Results								
Workforce Program	Issue	Applicable Reference	Prior Year Finding	Current Year Finding	Prior Year Other Noncompliance Issue	Current Year Other Noncompliance Issue	Observation	Recommendation
Supplemental Nutrition Assistance Program	1. Multiple case files did not have documentation to support JPR hours entered into OSST.	<u>7 CFR 273.7 (d)(4)(ii), (e)(1), (m) (3) (v) (A) and the SNAP State Plan.</u>	N	Y	N/A	N/A	N/A	Program staff must ensure that they accurately count and verify hours before entering any information in OSST and that documents

								used to support the hours are maintained in the participant case files.
	2. Sanctions were not requested for two participants who did not complete their required tasks.	<b>State Plan; 7 CFR 273.7</b>	<b>Y</b>	<b>Y</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	Staff should routinely investigate that participants complete all scheduled tasks such as JPR hours or attend appointments. If all of the tasks are not completed a sanction should be requested thru DCF in a timely fashion.
<b>Totals</b>			<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**OCR**

Customers are asked to provide demographic information thru the kiosk system when they first enter the Career Centers. Additionally, the kiosk screen includes all of the necessary demographic questions (race, age, disability, sex, veteran status, etc.). Customers are also advised that the information requested is voluntary and will be kept confidential. No issues were observed.

**Financial Disclosure**

In reviewing the Financial Process Tool, it appears that all of the board members have filed their Financial Form 1F with the appropriate entity. No issues were observed.

**WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)**

**ADULT AND DISLOCATED WORKER PROGRAM**

**Management Review and Operational Process Review Tool**

A review of CSPIN's local operating processes and practices revealed that CSPIN has policies and procedures in place for conducting their local Workforce Innovation and Opportunity Act programs. Copies were provided of the local monitoring tools, schedules, and reports and procedures for monitoring activities.

**Participant Case File Review**

**A total of 25 (18 Adults and seven Dislocated Workers) participant case files were reviewed.**

2017-2018 Monitoring Results								
Workforce Program	Issue	Applicable Reference	Prior Year Finding	Current Year Finding	Prior Year Other Noncompliance Issue	Current Year Other Noncompliance Issue	Observation	Recommendation
Workforce Innovation and Opportunity Act (WIOA)  Adult and Dislocated Worker Program	1. In more than a few instances, follow-ups were not conducted timely.	<u>20 CFR 677.175, WIOA sec.116 TEGL, and Follow-up Memorandum 3/23/07, Master Cooperative Agreement</u>	N/A	N/A	Y	Y	N/A	Staff should ensure that quarterly follow-ups are conducted at the required intervals and entered timely by the due date indicated in the follow-up table.
<b>Totals</b>			<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	

**Additional Participant Case File Review**

A total of 25 (23 non-WIOA and two WIOA participant) additional case files were reviewed. The review determined that the files were associated with a special grant funded by the Florida Legislature – Advanced Manufacturing Skill Development.

*The following items were observed during the review of the 23 non-WIOA – Advanced Manufacturing Skill Development program.*

- No specific policies and procedures were provided to determine and/or guide program operations.
- Assigned non-WIOA activity codes and modified WIOA forms were recorded in EF and maintained in the individual files.
- In several instances, the “Actual Begin Date” for non-WIOA service codes entered in EF precedes the system generated staff “Create Date”.
- CSPIN staff appear to utilize the EF case note function to inform employers of incentives to using CSPIN’s On the Job Training, (OJT) and Paid Work Experience, (PWE) programs.
- In several instances, quarterly follow-ups were not conducted after exits.
- In several instances, individuals did not receive a 921 Pre-Vocational training activity.
- In several files, a supportive service was issued before the supportive service activity date, and the individual’s application date; an OJT documentation indicates the occupational code for OJT activity as "janitors, cleaners, except maids and housekeeping cleaners”, but the participant was trained as an "electrical journeyman"; an individual’s timesheet and proof of pay to support their engagement in the work experience activity is missing from the file; a supportive service activity was entered into EF, but there was no documentation in the file to support the activity.

The CSPIN should develop LOPs for all funded programs to ensure compliance with its approved plan, and all federal and state rules, regulations, policies and applicable grant conditions. It should be noted that the monitor did not review all facets of the special grant and further review may be necessary.

**WIOA YOUTH PROGRAM**

**Management Review and Operational Process Review Tool**

It appears that administrative policies and procedures are in place to govern general program operations and practices. Copies were provided of the local monitoring tools, schedules, and reports for monitoring activities.

**Participant Case File Review**

**A total of 22 participant case files were reviewed.**

2017-2018 Monitoring Results								
Workforce Program	Issue	Applicable Reference	Prior Year Finding	Current Year Finding	Prior Year Other Noncompliance Issue	Current Year Other Noncompliance Issue	Observation	Recommendation
Workforce Innovation and Opportunity Act (WIOA) Youth Program	1. In several instances, the type of credential recorded as attained does not meet the definition of an industry-recognized certificate or certification.	<u>Federal Data Validation Requirements TEGL 10-16, WIOA, sec. 3(52).</u>	N	Y	N/A	N/A	N/A	The LWDB must ensure that credentials earned as a result of completed work experience activities are issued by a professional, industry, or employer organization. Certificates awarded by workforce development boards are not included in the definition of a credential attainment.
	2. In several instances, participants were placed in work experience activities without being provided with the mandatory academic component of the activity.	<u>20 CFR 681.600.</u>	N	Y	N/A	N/A	N/A	The LWDB must ensure that work experience activities include academic and occupational education. The educational component may occur concurrently or sequentially with the work experience. Additionally, the both components may occur inside or outside the work site.

	3. In one instance, follow-up was not conducted timely.	<u>WIA Resource Guide, TEGL 17-05, and Follow-up Memorandum 3/23/07, Master Cooperative Agreement.</u>	N/A	N/A	Y	Y	N/A	Staff should ensure that quarterly follow-ups are conducted at the required intervals and entered timely by the due date indicated in the follow-up table.
<b>Totals</b>			<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>	

**TRADE ADJUSTMENT ASSISTANCE (TAA)**

**Management Review and Operational Process Review Tool**

The TAA Program appears to be managed in accordance with prescribed standards and the LWDB’s approved State Plan includes the required provision of services to trade affected workers.

**Participant Case File Review**

**A total of ten participant case files were reviewed.**

**General Comment**

During the review of participant case files, in five instances CSPIN staff did not record the Rapid Response activity in the State MIS under Wagner-Peyser. Additionally, in a single instance a participant file was missing attendance sheets. During the review, CSPIN staff entered the appropriate activity in the MIS, and all missing documents were located and placed in the participant’s file. Going forward, the local TAA coordinator should ensure all activities are properly recorded in the State MIS.

2017-2018 Monitoring Results								
Workforce Program	Issue	Applicable Reference	Prior Year Finding	Current Year Finding	Prior Year Other Noncompliance Issue	Current Other Noncompliance Issue	Observation	Recommendation
Trade Adjustment Assistance (TAA)	1. In a single instance, staff recorded a TR0 and placed the	<u>TAPR Reporting Requirements, Correspondence - TAA</u>	N/A	Y	N/A	N/A	N/A	Documentation in the file indicate staff advised the worker of the steps for applying for the program.

	worker in TAA participation prior to checking to see if the customer established a claim in CONNECT. The TRA Application cannot be processed and a determination made without a TRA claim.	<b><u>Participant Tracking in EFM dated July 26, 2007 TAA</u></b>							However, staff should ensure the reemployment assistance claims history in CONNECT reflect a TRA application was received. Furthermore, if the customer does not follow thru with establishing a claim and submission of the TRA application, the TRO entry would not be completed. To resolve this issue, CSPIN staff should request an OPC for deletion of the first service through the DEO state administration.
<b>Totals</b>			<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**WAGNER-PEYSER (WP) PROGRAM**

**Management Review and Operational Process Review**

A review of the LWDB's local operating processes and practices revealed that the LWDB has policies and procedures in place for conducting their local Wagner-Peyser program. Internal monitoring was conducted at scheduled intervals using the DEO tools available.

**Participant Case File Review**

A total of 110 (60 job seekers, 40 job orders, and 10 RESEA) case files were reviewed.

<b>2017-2018 Monitoring Results</b>								
<b>Workforce Program</b>	<b>Issue</b>	<b>Applicable Reference</b>	<b>Prior Year Finding</b>	<b>Current Year Finding</b>	<b>Prior Year ONI</b>	<b>Current Year ONI</b>	<b>Observation</b>	<b>Recommendation</b>
<b>Wagner – Peyser (WP)</b>	1. An I-9 form and 516INS were not processed according to federal requirements. Section 1	<b><u>Immigration Reform and Control Act of</u></b>	<b>N</b>	<b>Y</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	Staff must ensure that appropriate procedures are followed when conducting the Employment

<p>was not available, Section 2 was missing the expiration date of the driver's license, and the 516INS was missing the job order number.</p>	<p><b><u>1986; 8 CFR 274a.6; I-9 Employer Handbook; and DEO FG 071.</u></b></p>						<p>Eligibility Verification process (Form I-9). Form I-9s must be completed according to instructions.</p>
<p>2. Counseling codes (200 or 201) entered in Employ Florida for a job seeker had no documentation to support the counseling service(s).</p> <p>Note: LWDB staff identified and voided the services for three counseling codes after receipt of samples. One code was voided more than 15 months from when code was recorded.</p>	<p><b><u>Federal Definition of Counseling/UI Handbook-NO. 401-ETA/9048/DEO-FG00-016.</u></b></p>	<p>N</p>	<p>Y</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>Staff must provide supporting documentation which reflects the counseling service provided and identify the problems being addressed such as occupational choice, change or adjustment. A plan to remedy the situation must also be documented.</p>
<p>3. The wage rate listed on a job order in Employ Florida was listed as \$8.05/hour, which did not meet the Florida Minimum Wage (\$8.10 as of 1/1/2017) rate at the time the job order was open.</p>	<p><b><u>Fair Labor Standards Act/FL Statutes - Title XXXI Labor Section 448.01.</u></b></p>	<p>N</p>	<p>Y</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>Staff must ensure that job orders are in compliance with the all requirements, including the Florida Minimum Wage rate (\$8.10/hr. prior to January 1, 2018 and \$8.25/hr. thereafter). It is unlawful for an employer to pay an employee less than minimum wage.</p>
<p>4. Staff-assisted service codes were entered on several job seeker's activity/service plan in Employ Florida that appeared to not meet the definition of the service provided due to lack of supporting documentation. The entry of the codes at regular intervals appeared to limit job seekers from exiting the system.</p>	<p><b><u>20 CFR 651.10; TEGL 17-05; and DEO FG 03-035;</u></b></p>	<p>N</p>	<p>Y</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>The LWDB must ensure the correct and proper use by staff of Employ Florida service codes as defined in the Employ Florida service code manual. Additionally, staff-assisted services should have documented case notes that support the services provided, particularly if the service is the only reportable service that extends job seeker participation.</p>
<p>5. Multiple job orders contained staff-referred applicants that did not meet the minimum job qualifications specified in the job order.</p>	<p><b><u>20 CFR 651.10 and DEO FG 03-035.</u></b></p>	<p>N/A</p>	<p>N/A</p>	<p>Y</p>	<p>Y</p>	<p>N/A</p>	<p>The LWDB must remind staff that prior to referring a job seeker to a job, the job order must be adequately reviewed by staff to ensure that the job seeker meets</p>

	Note: The LWDB entered standard language on each placement case note entered on the job order. In summary, the statement indicated that the employer reserved the right to hire job seekers referred regardless of the job seekers' qualifications or resume listed in Employ Florida, or the minimum job order qualifications.							the minimum job qualifications as specified on the job order. Additionally, staff need to encourage job seekers to complete applications to help better match their skills, education, and strengths to the correct job orders.
	6. A job order a few employers listed as a private employment agency did not have the phrase "Position offered by a no-fee agency" in the job description.	<u>Wagner-Peyser Act of 1933 as amended Sec 13 (b) (1).</u>	N/A	N/A	N	Y	N/A	The LWDB must ensure that employers who are listed as private employment agencies include the phrase "Position offered by a no-fee agency."
	7. None of the career centers met the required five MSFW equity ratio indicators during the review period.	<u>20 CFR 653 and DEO FG 03-040.</u>	N/A	N/A	N/A	Y	N/A	All career centers with MSFW clients must meet all five of the MSFW equity ratio indicators (referrals to employment and supportive services, staff assisted services, job development contacts and career guidance). Additionally, non-significant career centers must meet one of three minimum service level indicators (job placement, placement at \$.50 above min. wage, or placements in long term non-agricultural jobs).
<b>Common Issue WP/RESEA</b>	8. A few job seekers' EDPs did not contain all required information.	<u>UI Handbook-NO. 401-ETA 9048; 20 CFR 651.10; 443.1317(1)(b) and 443.091 FS; FL Administrative Rule 73B-11.028; 20 CFR Part 1010; and State Veterans Program Plan of Service.</u>	N/A	N/A	Y	Y	N/A	EDPs must contain specific short and long-term occupational goals and steps to achieve these goals. The plans are to be conducted jointly with the customer to address their specific needs. Documentation must be kept on-site in electronic or hard (paper) copy form for all EDPs.

<b>RESEA</b>	9. The Red Flag Report showed an RESEA participant who had a schedule date more than seven days old.	<b><u>Employ Florida Tip; DEO FG 065; CSF Admin Policy 068.</u></b>	<b>N/A</b>	<b>N/A</b>	<b>N</b>	<b>Y</b>	<b>N/A</b>	Participants in RESEA are required to complete several activities within a specified time frame. Red and Yellow Flag reports were developed to assist LWDBs with tracking RESEA attendance results. The Red Flag Report should be monitored on a daily basis to ensure there are no drop-offs.
<b>Totals</b>			<b>0</b>	<b>4</b>	<b>2</b>	<b>5</b>	<b>0</b>	

**CAREER CENTER CREDENTIALING**

A Career Center Credentialing review was conducted to determine compliance with program guidance. The methodology for conducting the review included self-certification by the LWDB that the following credentialing requirements had been met for the review period at each of the career center locations in the LWDA (posters, signage and resource room verification). All other administrative requirements and records (listing of front-line staff, continuing education hours attained, complaint system information, etc.) were reviewed remotely by the monitor.

The monitor also reviewed the administrative documents provided to determine whether all “front-line” staff members had completed their required Tier I Certification courses and the 15 hours of continuing education courses in related subjects. As part of the credentialing process, the monitor also reviewed the LWDB’s complaint system to ensure that a system is in place to process any Wagner-Peyser complaints received.

<b>2017-2018 Monitoring Results</b>								
<b>Workforce Program</b>	<b>Issue</b>	<b>Applicable Reference</b>	<b>Prior Year Finding</b>	<b>Current Year Finding</b>	<b>Prior Year ONI</b>	<b>Current Year ONI</b>	<b>Observation</b>	<b>Recommendation</b>
<b>Credentialing</b>	1. One front line staff member did not complete the Tier 1 Certification within the required six month period.	<b><u>DEO Credentialing Guidance Paper FG 02-032.</u></b>	<b>N/A</b>	<b>N/A</b>	<b>N</b>	<b>Y</b>	<b>N/A</b>	During the review period, the LWDB was required to ensure that all front-line staff complete the Tier I Certification within six months of their start date. New guidance now instructs that Tier 1 Certification must be completed within 12 months from start-date. The LWDB must also maintain documentation on file of the Tier I Certifications completed by staff.
<b>Totals</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	

**MANAGEMENT INFORMATION SYSTEMS (MIS)**

The Inspector General's (IG) office has conducted a full information security audit of the LWDB, with a final report published in January 2017. The IG continues to work with the LWDB in completing the follow-up to the review. However, review staff conducted the following actions to support answers provided on the Combined Process Management tool completed by the LWDB.

The LWDB appears to have policies and procedures in place to ensure that individuals who are no longer employed in the LWDB are promptly removed from having access to the MIS. The LWDB provided an up-to-date listing of all MIS users during the review period who have had their status revoked. The monitor matched the names of terminated users on the LWDB's list with user staff accounts maintained by DEO's Internal Security unit to determine whether any of those individuals still had access to the system and/or if their privileges had been revoked. No problems were observed as all individuals listed were duly terminated and no longer had access to the systems. According to the LWDB, a review of all staff access to systems is performed whenever a change in personnel is performed. Additionally, the MIS security forms are maintained electronically or in hard (paper) copy form in a secure location.

***The review did not reveal any Findings, Other Noncompliance Issues or Observations.***

**CareerSource Pinellas  
Financial Report Summary  
5/31/2018**

Description	Award Begin Date	Award End Date	FY17-18 Award	Current Year Expenditures	Expenditure Rate	Remaining Dollars
<b>Workforce Innovation &amp; Opportunity Act</b>						
WIOA Adult 16	7/1/16	6/30/18	64,866	64,866	100.00%	-
WIOA Adult 17	7/1/17	6/30/19	1,559,623	1,286,168	82.47%	273,455
WIOA IS Youth 16	4/1/16	6/30/18	9,082	9,082	100.00%	(0)
WIOA OS Youth 16	4/1/16	6/30/18	362,132	362,132	100.00%	(0)
WIOA IS Youth 17	4/1/17	6/30/19	114,940	26,254	22.84%	88,686
WIOA OS Youth 17	4/1/17	6/30/19	1,034,463	495,799	47.93%	538,664
WIOA Dislocated Worker 16	7/1/16	6/30/18	841,421	841,421	100.00%	(0)
WIOA Dislocated Worker 17	7/1/17	6/30/19	2,000,456	787,155	39.35%	1,213,301
WIOA Performance Incentives	7/1/16	12/31/17	116,369	116,369	100.00%	-
WIOA Performance Incentives	7/1/16	12/31/17	80,266	80,266	100.00%	-
WIOA Community Based Sector Strategy Training Init	4/1/17	9/30/18	134,179	87,702	65.36%	46,477
WIOA Community Based Sector Strategy Career READY	9/1/17	2/28/19	140,000	19,215	13.73%	120,785
WIOA Community Based Sector Strategy IT Training	7/1/17	12/31/18	180,000	87,529	48.63%	92,471
WIOA Community Based Sector Strategy Construction	7/1/17	12/31/18	110,000	98,425	89.48%	11,575
WIOA Governor's Challenge	7/1/17	12/31/18	283,334	-	0.00%	283,334
WIOA Governor's Challenge - Hurricane Maria	1/1/18	12/31/18	21,280	420	1.97%	20,860
WIOA Supplemental	7/1/17	12/31/18	214,666	212,049	98.78%	2,617
<b>Total Workforce Innovation &amp; Opportunity Act</b>			<b>7,267,077</b>	<b>4,574,852</b>	<b>62.95%</b>	<b>2,692,225</b>
<b>Employment Services</b>						
Wagner Peyser 16	7/1/16	9/30/17	5,050	5,050	100.00%	-
Wagner Peyser 17	7/1/17	9/30/18	595,007	410,198	68.94%	184,809
Wagner Peyser Performance Incentives	7/1/16	12/31/17	14,259	14,259	100.00%	-
Wagner Peyser Coop Outreach Prog	7/1/17	6/30/18	42,282	-	0.00%	42,282
Disabled Veterans Outreach Program Jul-Sep	7/1/17	9/30/17	26,808	26,808	100.00%	-
Disabled Veterans Outreach Program Oct-Jun	10/1/17	9/30/18	82,686	60,211	72.82%	22,475
Local Veterans Employment Program Jul-Sep	7/1/17	9/30/17	10,369	10,369	100.00%	-
Local Veterans Employment Program Oct-Jun	10/1/17	9/30/18	32,772	23,935	73.03%	8,837
Supplemental Nutrition Assistance Program July-Sept	7/1/17	9/30/17	139,160	139,160	100.00%	-
Supplemental Nutrition Assistance Program Oct-Jun	10/1/17	9/30/18	410,546	301,722	73.49%	108,824
SNAP ERS	2/1/17	9/30/17	30,700	12,061	39.29%	18,639
Unemployment Compensation Jul-Sep	7/1/17	11/30/17	11,210	11,210	100.00%	-
Unemployment Compensation/REA	10/1/17	9/30/18	44,800	29,474	65.79%	15,326
TAA PY16 Training	10/1/16	9/30/17	39,248	39,248	100.00%	0
TAA PY17 Training	10/1/17	6/30/18	213,529	100,043	46.85%	113,486
TAA PY16 Case Management	10/1/16	9/30/17	2,903	2,903	100.02%	(0)
TAA PY17 Case Management	10/1/17	6/30/18	32,196	2,137	6.64%	30,059
TAA PY16 Administration	10/1/16	9/30/17	3,649	3,649	100.00%	0
TAA PY17 Administration	10/1/17	6/30/18	21,241	13,218	62.23%	8,023
<b>Total Employer Services</b>			<b>1,758,414</b>	<b>1,205,655</b>	<b>68.56%</b>	<b>552,759</b>
<b>Welfare Transition</b>						
Welfare Transition Program Jul-Sep	7/1/17	12/31/17	586,509	586,509	100.00%	-
Welfare Transition Program Oct- June	10/1/17	6/30/18	1,759,525	1,432,493	81.41%	327,032
Welfare Transition Program NCP - July-Sept	7/1/17	12/31/17	354,000	354,000	100.00%	-
Welfare Transition Program NCP - Oct-Jun	10/1/17	6/30/18	1,062,000	820,449	77.26%	241,551
<b>Total Welfare Transition</b>			<b>3,762,034</b>	<b>3,193,451</b>	<b>84.89%</b>	<b>568,583</b>
<b>Direct Services</b>						
Reemployment & Eligibility Assessments 17	1/1/17	12/31/17	224,258	224,258	100.00%	(0)
Reemployment & Eligibility Assessments 18	1/1/18	12/31/18	180,230	135,556	75.21%	44,674
NEG SP	7/1/15	6/30/18	186,937	117,616	62.92%	69,321
NEG Hurricane Maria	10/1/17	9/30/18	50,000	-	0.00%	50,000
Robotics/Mechatronics Earmark Grant	7/1/17	6/30/18	400,000	303,667	75.92%	96,333
DOL- Youthbuild 2016	10/17/16	2/16/20	636,887	381,912	59.97%	254,975
DCF - Food for Families	9/1/17	12/31/17	635,000	592,879	93.37%	42,121
Florida Makes	3/1/17	2/28/18	366,602	114,280	31.17%	252,322
Americorp	8/1/17	7/31/18	193,614	55,303	28.56%	138,311
Able Trust	7/1/17	6/30/18	109,012	48,369	44.37%	60,643
JWB Youth Innovators - 2017	10/1/16	9/30/17	30,471	11,519	37.80%	18,952
JWB Youth Innovators - 2018	10/1/17	9/30/18	36,724	11,888	32.37%	24,836
Science Center/STEMe	7/1/17	6/30/18	874,150	342,316	82.49%	72,684
<b>Total Direct Services</b>			<b>3,464,736</b>	<b>2,339,563</b>	<b>67.53%</b>	<b>1,125,173</b>
<b>Grand Total</b>			<b>\$ 16,252,260</b>	<b>\$ 11,313,521</b>	<b>69.61%</b>	<b>\$ 4,938,739</b>