

CareerSource Pinellas Board of Directors Minutes

Date: Wednesday July 17, 2019 at 11:45 A.M.
Location: Epicenter: 13805 58th Street N. Clearwater, FL.

Call to Order

Chairwoman Leavelle called the meeting to order at 11:47 a.m. There was a quorum present with the following board members participating.

Board Members in attendance

Vivian Amadeo (phone), William Apple (phone), Jody Armstrong, Manny Bhuller, Candida Duff (phone), James England, Celeste Fernandez (phone), Jack Geller, Commissioner Pat Gerard, Barclay Harless, Andrea Henning, John Howell, Michael Jalazo (phone), Carolyn King (phone), Samuel Kolapo (phone), Dr. William Law, Karla Leavelle, Russell Leggette, Michael Logal, Kay McKenzie, Michael Meidel, Debbie Passerini, Dr. Rebecca Sarlo (phone), Chad Simpson (phone), Scott Wagman, Kenneth Williams (phone).

Board Members not in attendance

David Fetkenher, Mark Hunt, Amy Van Ness, Zachary White, Glenn Willocks.

Staff in attendance

Jennifer Brackney, Steven Meier, Don Shepherd, April Torregiante, Michelle Moeller, Dawn Evans, Luna Clarke, Steven Blakey.

Board Counsel

Charles Harris – Trenam Law (phone)

Introductions & Chair's Report

Chair Leavelle welcomed members to the first board meeting of the new program year 2019-2020. She thanks the current elected board officers, as well as the chairs of the standing committees. Board members were reminded about the option of joining a committee, and encouraged to sign-up via the online poll.

Additionally, the chair welcomed new board member: Manny Bhuller. Mr. Bhuller is a co-owner and executive at CI group, a commercial interiors company based in St. Petersburg.

The chairman's report was included in the Pinellas Pinnacle newsletter and distributed at the meeting. Some of the items highlighted were:

- a. International Tourism to FL, which is expected to increase by 18% in the next 5 years.
- b. Pinellas Representatives vowing to protect FL shorelines, which are expected to experience up to 5 inches of sea level rise over the next 15 years.
- c. The Tampa Bay YouthBuild program has relocated to its new home, the Clearview Adult Education Center campus.
- d. Veterans Expanding Career opportunities across Pinellas County in a variety of fields such as healthcare, information technology and education.
- e. CSPIN hosted a Technology Career Fair on June 27, 2019. The event was sponsored by GE Aviation, GeoSol, Computer Coach Training and New Horizons Computer Learning. Several more employers participated, including Jabil, Spectrum, General Dynamics and Honeywell.

Action Item 1 – Approval of the Minutes – 06.26.2019 Board of Directors

The minutes of the June 26, 2019 Board of Directors meeting were presented for approval.

Motion: Jack Geller

Second: Commissioner Gerard

The minutes were approved as presented. This motion carried unanimously. There was no further discussion.

Action Item 2 – Relocating Science Center Items

I. Iguana Sanctuary

On 3/20/2019, the Board of Directors approved to set aside \$ 40,000 from the proceeds of the sale of the Science Center property, for the transfer of the Iguana Sanctuary.

Discussion: During the meeting, some board members expressed concern about spending such a significant sum of money for the relocation of the animals. Iguanas are not native to FL and are deemed an invasive species, therefore they cannot be released into the wild. This item was previously voted on and approved by the board of directors in April 2019. Staff is currently working with Gulf Coast Iguanas to establish a new location for them. There were various opinions voiced about the matter and whether or not euthanization was a possible option to consider. A decision on

the iguanas would need to be made, before the CSPIN staff officially moves out of the Science Center location and turns the property over to the City of St. Petersburg.

A motion was made to reconsider the allocation of the \$40,000 that were previously approved for the relocation of the iguanas. Due to varied responses, a rollcall of the board members present at the time of the vote was taken.

Motion: Jack Geller
Second: Commissioner Gerard

17- Yes
8 – No

A subsequent motion was made to table the discussion of the iguana sanctuary until further notice.

Motion to table: Jack Geller
Second: Barclay Harless

The Board of Directors approved to table the discussion regarding the iguana relocation until further notice. The motion carried unanimously. Board members suggested to reach out to other organizations such as FL Fish & Wildlife to inquire about possible options. It was suggested that any payment be made in the form of an invoice, as opposed to an up-front payment.

II. Margaret Ewell Dickins Marine Room

A. Touch Tank

The 600-gallon Marine Touch Tank, which includes over 10 species of marine life. As of now, there are two rays, a marbled cat shark, several species of fish, sea stars, spiny and pencil urchins, marine hermit crabs, mollusks, and a sea cucumber. This exhibit was opened in 2000 and is currently being maintained by an in-kind partnership with Dan Calvo of "Little Oceans". If agreed, Mr. Calvo would like to acquire the 600-gallon touch tank, to be relocated at his expense.

- **Action Needed:** Approval to donate the 600-gallon touch tank to Mr. Calvo.

Motion: Commissioner Gerard
Second: Jody Armstrong

The Board of Directors approved to donate the 600-gallon touch tank to Mr. Calvo of Little Oceans. This motion carried unanimously. There was no further discussion.

B. Marine Life/ Aquarium

Mr. Dan Calvo has taken 3 aquariums with the marine life they contain, as well as some equipment. Additionally, he is taking a microscope used to breed sea slugs.

✓ **Completed.**

C. Fossils

Janine M. Cianciolo DVM has enjoyed a working relationship with the Science Center, borrowing items from the collection for use in educational programs. The marine items include – shark and sawfish jaws, fossils, and skeletons. She would also like to utilize the soft side cages for butterfly rearing. These items were donated to her and will allow for the continuation of educational efforts, provided through multiple non-profit organizations, schools and programs including: Project Aware, Sea Turtle Tracker's, and Pinellas County Schools Scouting, nature centers and environmental programs.

✓ **Completed.**

D. Elliott the Snake

A STEM Education Instructor has adopted Elliott, the snake. Elliot is a 5-year old gray rat snake, approximately 5 ½ feet long. The instructor, who is part of the Suncoast Herpetological Society, formerly taught STEM classes at the Science Center and has previously worked with the snake in that capacity. As part of the adoption agreement, it was ensured that the snake will not be released in the wild, nor be used for experiments.

✓ **Completed.**

E. Various Animals

1. **Tarantula:** There is a Chilean Desert Rose tarantula obtained as a baby with a "Pets in the Classroom" grant in 2017. The tarantula is believed to be a male. The animal has molted numerous times and is now about 2 inches in diameter.
 2. **Frogs:** Two frogs are still available for adoption. The frogs are Cane toads who have been with the Science Center since approximately 2015. They are fed live crickets.
 3. **Ball Python:** Additionally, there is a rescued female ball python. She is very calm in nature and measures approximately 4 feet.
- **In progress.** Staff has been contacted by the office of St. Pete Councilwoman Gabbard, who has expressed an interest in helping us find homes for these animals.

F. Shell Exhibit

A shell exhibit from the St. Petersburg Shell Club was placed on display many years ago at the Science Center. The president of the St. Petersburg Shell Club – John Jacobs – has contacted CSPIN staff to request that this collection of shells be returned to them.

➤ **In progress:** Staff will coordinate the return of the exhibit to St. Petersburg Shell Club.

G. Arthropods

Two (2) millipedes have been adopted by a school teacher, Vicki Wilhelmi, who is also a member of the Suncoast herpetological society. The millipedes will become part of her classroom. The animals measure approximately 2 inches each. Adoption will include habitat (tank, substrate, artificial foliage, two wood segments and water dish).

✓ **Completed**

III. The White Garden and Mosaic Walk of the States

The Starley M. White Garden is a partially enclosed garden, with lush tropical trees, walking trails and beautiful potential. It is surrounded by a "Walk of The States," a mosaic tile walkway made up of more than 50 sections, one section for each state in the United States.

➤ **Action: To be determined**

IV. Carol Samuels Observatory

The observatory opened in 1997 and features a powerful 16-inch Meade telescope. The research-grade telescope is the only one available to the public in Pinellas County in a non-university setting.

➤ **Action Needed:** Approval to donate to the St. Petersburg Astronomy Club

Motion: Commissioner Gerard

Second: Jody Armstrong

The Board of Directors approved to donate the Meade telescope to the St. Petersburg Astronomy Club. This motion carried unanimously. There was no further discussion.

V. Media Globe Digital Planetarium

The Planetarium has a variety of pre-recorded "shows" that depict the constellations, the extrasolar planets, space exploration and more.

➤ **Action: To be determined**

VI. Geology Lab:

The Geology lab, more commonly known as the "Rock Room", displays a collection of crystals, geodes and metamorphic rocks, each with their own unique and distinctive features. The Rock Room served as one of the main educational classrooms in The Science Center.

➤ **In progress**

VII. Vocational Training Equipment

1. Soldering
2. Mechatronics
3. 3D Printing
4. Manufacturing Equipment

➤ **Action: To be determined**

Action Item 3 – Dissolution of the Science Center Committee

On April 3, 2019 the Board of Directors approved entering into contract negotiations with the City of St. Petersburg, empowering the CEO and any additional personnel necessary to negotiate with the City of St. Petersburg for a higher offer price and other conditions. On April 30, 2019, the Board of Directors accepted a letter of intent from the City of St. Petersburg for the sale of the Science Center for the purchase price of \$3.15M. Ever since, staff has been working diligently to relocate several items currently housed at the Science Center, to facilitate a smooth transition. The Science Center Committee was established in 2014 to oversee the STEIC and STEME programs, assist with planning and operational issues related to the Science Center property, as well as reviewing the performance of any grants and funds received, related to the programs offered at the site. Due to the sale of the property, the Science Center Committee was not included in the CSPIN by-laws, recently approved on June 5, 2019. Any actions related to the Science Center of Pinellas will be directed to the attention of the full Board of Directors.

Motion: Jack Geller

Second: Scott Wagman

The Board of Directors approved to formally dissolve the Science Center Committee as a standing committee of WorkNet Pinellas Inc. The motion carried unanimously.

Action Item 4 – Audit of June 30, 2019 Financial Statements

Enclosed within the packet was the Audit Engagement Letter with Powell & Jones, CPAs. The Engagement Letter would serve as an agreement regarding the audit work to be done relating to the financial statements for the year ended June 30, 2019. Powell & Jones, CPAs will audit the financial statements of WorkNet Pinellas, Inc., which comprise the statement of financial position as of June 30, 2019, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Motion: Scott Wagman

Second: Jody Armstrong

The Board of Directors approved to enter into an agreement with Powell & Jones, CPAs to conduct a financial statement audit for the year ended June 30, 2019. The motion carried unanimously.

Action Item 5 – Agreed Upon Procedures (For Six-Month period ended December 31, 2018)

Enclosed in the packet were the agreed-upon procedures that were specified and agreed to by the Audit Committee on the accounting records and internal controls of WorkNet Pinellas, Inc. as of and for the six-month period ended December 31, 2018. **Follow Up:** The Audit Committee recommends that the time period under review be changed to the six-month period from January 1, 2019 to June 30, 2019, due to the transitional period. The committee also recommends that the following items be included for review in the scope of work:

- Internal Control Questionnaire
- Benefits Stipend Calculations
- Non-Elective Contributions Benefits
- Supportive Services Cards
- Use of corporate credit cards by staff
- Employee expense report

Motion: Commissioner Gerard

Second: Scott Wagman

The Board of Directors approved the proposed date change and execution of the agreed upon procedures letter, upon revision. The motion carried unanimously.

Action Item 6 – Annual 401(k) Plan Audit

WorkNet Pinellas, Inc. 401(k) Plan is required to have an annual audit by an Independent CPA firm. Powell & Jones will audit the financial statements of WorkNet Pinellas, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017 and the related statement of changes in net assets available for benefits for the years then ended and the related notes to the financial statements and report on the supplemental schedules of the Plan for the year ended December 31, 2018. For the calendar year 2018, a full scope audit conducted by Powell & Jones, CPAs would be \$7,500. The fee for a limited scope audit as permitted by DOL regulations would be \$6,000. The annual audit is to be completed and filed along with the form 5500 by October 15, 2019. The Audit Committee is recommending a limited scope audit.

Motion: Jody Armstrong

Second: Commissioner Gerard

The Board of Directors approved to conduct a limited scope audit. Additionally the board approved the execution of the engagement letter for the annual 401 (k) plan audit. The motion carried unanimously.

Action Item 7 – Vendor Recommendation: HRMS, Payroll & Benefit Broker Services

On February 6, 2019, the Board of Directors approved the issuance of a Request for Proposal (RFP). This RFP solicited quotes from Professional Employer Organizations, Payroll companies, and Insurance Brokerage firms with the technical expertise and an established track record in providing benefit brokerage consulting services. Interested parties were asked to submit a quote for any and/or all group health and welfare benefit plans and 401(k) plans. These services would include assisting CareerSource Pinellas with strategic benefit and 401(k) planning to obtain the best coverage and cost for employee benefit programs. In addition, the RFP solicited quotes and ongoing support for current Human Resource Management Systems (HRMS) and Payroll platforms services that provide cost effective and efficient solutions. In response, seven companies submitted a proposal. On July 10, the staff review committee, met to discuss their independent assessment and ranked each proposal.

Proposer by ranking order	Ave. Score
Hub International	90.1
USI Insurance Services, LLC	87.4
Gallagher Benefits Services	69.9
Hartin Dynamics	72.6
Alltrust Insurance	74
Jarred Bunch Consulting 401(k) only	61.6
ProVise Management Group 401(k) only	79.3

Based on the scores, the review committee contacted Hub International and USI to gather information for consideration. With consideration to the additional information, the committee recommends entering into contract negotiation with Hub International for the following reasons:

- Leading global insurance brokerage firm
- Robust offering of insurance options and plans
- Dedicated support team comprised of subject matter experts
- Cost savings for HR and payroll platforms due to purchase power

- Customer Centric Carrier strategy providing opportunity to leverage relationships that offer best in class value
- Approach is designed to help solve immediate, short-term challenges while developing a multi-year strategic plan based on CSPIN's goals and objectives.

Motion: Jack Geller
Second: Debbie Passerini

The Board of Directors approved of the contract award to Hub International for the provision of benefit brokerages and a comprehensive analysis of current payroll and HR platforms, upon a successful contract negotiation. The motion carried unanimously.

Discussion Item 8 – Note from the Board Chair

At the request of Chairwoman Leavelle, the enclosed email was forwarded to the members of the CSPIN Compensation Committee, and the newly formed Ad Hoc Chief Executive Official/Executive Director and Legal Counsel Selection Committee.

The members are as follows:

Ad Hoc CEO/Legal Counsel Selection Committee*

1. Karla Leavelle
2. Commissioner Pat Gerard
3. Michael Meidel
4. Russell Leggette (Board Chair Appointee)
5. School Board Member (Pending)

Compensation Committee

1. Karla Leavelle
2. Candida Duff
3. Jack Geller
4. Debbie Passerini
5. Amy Van Ness

*As outlined in the Board approved by-laws of June 5, 2019

Action Item 9 – CEO Mid-Year Performance Stipend

On April 3, 2019, the Board of Directors approved aligning staff evaluations to the Program Year, July 1 through June 30. To achieve this, the Board of Directors approved a mid-year performance stipend be given for the six-month period from January 2019 - June 2019, allowing for a maximum of 2.5% of an employee's base salary to be earned, determined by his/her overall rating on the staff evaluation. The Board of Directors completed a performance assessment for Ms. Brackney mid-way through her contract. The survey was administered by HR Edge Consulting firm and completed by 15 board members. Ms. Stephanie Lacy of HR Edge gave an overview of the results in the April 3, 2019 Board Meeting. Ms. Brackney received a cumulative rating of 3.5 out of 4 on her leadership assessment. **Follow Up:** On July 16, 2019, the Compensation Committee met jointly with the Ad Hoc CEO/Counsel Selection Committee to discuss this item. The joint committees recommended to meet at a subsequent date to do the following:

1. Conduct a performance evaluation for Ms. Brackney in August 2019. This performance evaluation would be based on the measurable goals that were given to Ms. Brackney at the start of her term as CEO.
2. Discuss performance stipend for Ms. Brackney.
3. Discuss re-negotiation and/or renewal of a CEO employment contract for Ms. Brackney.

These items will be presented to the Board at the September 18, 2019 meeting

Motion: Jack Geller
Second: Commissioner Gerard

The Board of Directors approved to delay the decision on the CEO's performance stipend, until a performance evaluation has been completed. The motion carried unanimously.

Other Administrative Matters – None

Counsel Update

Board Counsel, Charles Harris provided an update on the pending cases:

- There's been no further communication with the FBI or the Attorney General's office regarding the pending CareerSource matters.
- Counsel has submitted all the documents requested by the IRS regarding the tax penalty against WorkNet. Counsel anticipates this matter to be resolved shortly.
- Regarding the whistleblower lawsuit, the matter is not set for hearing until October 2019.

Information Items

Information Item 1: Insurance Policy Register

A listing of all the insurance coverage for WorkNet Pinellas was included in the packet. Effective as of 07/01/2019. The information included the type of coverage, the expiration of the policy, the limits of the coverage and the annual premiums associated with the policy. The management liability insurance has discontinued coverage for the organization, as of 6/30/2019. There was a claim filed under this policy before the drop date, and it is understood by the insurance carrier that any claims that arise, will be subject for coverage. This policy was an "occurrence based policy", which refers to the policy that was in effect when the act took place.

Information Item 2: Loss Report

As part of the loss report, the organization's policies with Chubb insurance and Traveler's Insurance were provided in the packet.

Information Item 3: Service Providers and OJT Spending Expenditure Report.

The two reports were provided for the period covering from July 1, 2018 through June 30, 2019. Board members requested to receive an updated report, showing the number of participants.

Any training providers which are associated to a current board member were pre-approved for a set amount and require a 2/3 board approval. There was an overage of \$21,381 in spending for Pinellas Technical Education Centers (PTEC). This is due to a spike in enrollment in the fourth quarter. To remedy this, a motion was made to increase the approved spending cap for PTEC to cover the overage.

Motion: Michael Meidel

Second: Jack Geller

The Board of Directors approved to increase the spending cap for PTEC from \$100,000 to \$125,000 to cover the overage. The motion carried unanimously.

Information Item 4: Financial Statements as of May 31, 2019

The Financial statements for the organization were included in the packet as an informational item. They included the grant status report as of June 20, 2019, the cost allocation expenditure report, and the cost pools report.

Information Item 5: DEO/USDOL Compliance Review Update

The DEO has completed its initial corrective action plan in response to the USDOL Compliance report of May 2019.

Information Item 6: Insurance Notification Update

CSPIN has put its insurance carriers on notice of the potentially disallowed costs outlined in the USDOL compliance review. Support documents of the steps taken was sent to the County administrator, as requested.

Committee Reports

1. Audit Committee

The Audit Committee met yesterday, July 16th. The items discussed were included in this morning's agenda. After a thorough discussion, the group identified several items to be included in the upcoming internal controls audit for the period January- June 2019. Those items were listed and included in action item 5. The committee is scheduled to meet again on September 9, 2019.

2. Compensation Committee

The Compensation Committee met jointly with the Ad Hoc CEO/Counsel Selection Committee, to discuss the CEO performance stipend. The joint committees decided to meet at a later time to conduct a performance evaluation for the CEO in the month of August, which will be based on measurable goals. The committees will also discuss the CEO's employment contract, which is set to expire on October 31st, 2019. Additionally, the Compensation Committee recommended the approval of the contract award for Hub international, for the provision of benefits broker services, payroll and HR platforms. All of these items were brought forth for Board approval.

CEO Report: We are currently restructuring our career centers and satellite offices. To this end, some partnerships are being developed with Pinellas Technical College and SPC at locations such as: Clearview and Tarpon Springs. The staff is exploring the concept of satellite offices, whereby CSPIN offers services on a part-time basis at a partner's location. The CSPIN team will be attending the 2019 Workforce Development Summit in Orlando in September. Our business services team will be offering two sessions at that event. EFI high-tech summit will take place here at the Epicenter. Ms. Brackney will be a part of the discussion panel. Lockheed Martin recently hosted a strategy summit in Ocala, at which CSPIN was invited. The organization is looking to hire 4000 people for various tech positions. DEO was recently onsite to conduct a review of incentive cards. CSPIN completed the review positively, with no findings.

Public Comments: None

Open Discussion: None

Adjournment: The meeting was adjourned at 1:13 pm.