

**CareerSource Pinellas
Special Board of Directors Minutes**

Date: Wednesday, December 15, 2021, at 8:00 am.

Location: 13805 58th St. N. Room 2-304, Clearwater, FL 33760

Call to Order

Board of Directors Chair, Barclay Harless, called the meeting to order at 8:08 am. There was a quorum present with the following board members.

Board Members in Attendance

Barclay Harless, Belinthia Berry, Kenneth Williams, Kevin Knutson, Mark Hunt, Michael Jalazo, Michael Logal, Michele Mathews, Patricia Sawyer, Scott Thomas, Jack Geller, Elizabeth Siplin, Ivonne Alvarez, Jody Armstrong, Commissioner René Flowers, Dr. Rebecca Sarlo

Board Members Not in Attendance

Andrea Cianek, Candida Duff, Celeste Fernandez, Chris Owens, David Fetkenher, Debbie Passerini, Glenn Willocks, John Howell, Lisa Cane, Zachary White

Board Counsel

Stephanie Marchman

Outside Counsel

David Harvey

Staff in Attendance

Jennifer Brackney, Steven Meier, Jacqueline DuChene-Heyward, Kris Lucas, Leah Geis

Public Comments

There were no public comments.

Action Item 1 – Approval of the Minutes – 11.17.21 Board of Directors

The minutes of the November 17, 2021, Board of Directors meeting were presented for approval.

Discussion: None

Motion:	Michael Jalazo
Second:	Patricia Sawyer

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

Action Item 2 – Final Decision on Whistle-Blower Investigation

Chair Harless gave a brief overview. He outlined the timeline of events from when he received the email of a whistleblower complaint from an attorney representing a current employee. He indicated that he contacted Board Counsel to talk things over. Ms. Marchman, Board Counsel made the recommendation to hire outside counsel to investigate the complaint. The Whistleblower Complaint Policy is outlined in the Employee Handbook. Chair Harless also pointed out that there was a copy of the complaint and the report from Mr. David Harvey in the Special Board meeting packet. He also noted that the complainant's name and personal has been redacted from the complaint.

Chair Harless pointed out that a lot of people were contacted, and a lot of time was spent on the investigation. After Mr. Harvey's review of the report, he will take questions from the board members. Chair Harless wants to ensure the board members understand their responsibilities.

Chair Harless introduced Ms. Stephanie Marchman, Board Counsel. She reviewed the events related to the complaint, outlined the process, and introduced Mr. David Harvey, Attorney with Lewis Brisbois.

Mrs. Marchman stated that the Whistleblower Policy allows for the chair to conduct an investigation. The chair has the option to use an outside investigator to do so, and that is what he elected to do. The Board of Directors approved the investigation and the use of an outside investigator up to \$20,000 at the November 17, 2021, meeting. Mr. David Harvey was selected to conduct the investigation. He will be going over his findings about the investigation. The purpose of the meeting today is not to have board members conduct their own investigation. The timing of the policy requires that the Board of Directors to make a final decision on the complaint today or by December 18th. You all are welcome to review the investigative materials and ask Mr. David Harvey any questions you may have, discuss amongst yourselves, and decide ultimately what action to take related to the investigative report.

The recommendation is to adopt the findings of the extensive investigation Mr. Harvey conducted as well as to refer Section IV of the report to the Compensation Committee for review. Under the by-laws of the board, the Compensation Committee is a committee that, one of its functions is to view and consider labor relations for related issues.

Mr. Harvey then reviewed his investigation and findings:

Section I.

Alleged failure to provide an adequate level/scope of services.

Mr. David Harvey was not challenged with second guessing management decisions. He looked at the underlying allegations. He was looking for a violation of law or something that someone would consider unethical; something intentional versus inadvertent.

Mr. David Harvey said CEO Brackney had logical reasons for all decisions. She has regular meetings with staff and the board members. She reviews what staff is doing on a regular basis. The Board of Directors receives regular reports and is aware of the level of services. Therefore, we have been unable to find any instances where a law, rule or regulation was violated by CareerSource or CEO Brackney. Nor did we substantiate any conduct we determined to be "improper" or "unethical" as defined by this policy. This is more of an organizational concern about the product that the organization is pushing out. Mr. David Harvey indicated that the level of services provided is not a violation of the Whistleblower Policy. This conclusion is further bolstered by the impact of COVID during the relevant time period. While several of the individuals believed CareerSource should be providing more in person services and questioned several decisions made by CareerSource regarding how it provides services in light of COVID, this is not a violation of law, rule or procedures. It merely states a difference in option, risk tolerance and speculation on the number of recipients that would have been willing to participate "in person" services.

Section II.

Alleged over reporting of services being provided.

Several allegations raise concerns with the reporting of who received services or the belief that the numbers while correct, give the incorrect impression to the Board of Directors of the success of CareerSource programs. The Complainant admits that reporting enrollment process is confusing, and many organizations across the United States do it incorrectly. She also admits that the methodology used has been in place for some time. The question is "did the recipient receive services that qualified under the program in question?" If yes, they can be enrolled in the program. Unfortunately, this question is recipient specific as a recipient of services may come in under one program but qualify and receive services under another. We were unable to find any examples where someone was intentionally reported to the wrong program. This opinion was supported by the interviews of former Directors. Again, that goes back to the first problem where they are second guessing management and business decisions and the level of services being provided. All the numbers are the numbers. If you look at the numbers,

they are ok, but they are not great. If someone is going to overreport numbers, you would imagine the organization would inflate the numbers. They did not. Again, the purpose of this investigation is to find a violation of the law. All business decisions had logic to them. The witnesses who were interviewed supported the reporting that occurred. They had a logic to them as well. Further, CareerSource admits that several of the programs have low participation rates. They attribute this to the impact of COVID, the USDOL compliance review and the conscious decision to focus on certain programs over others. None of this is evidence of a violation of law, rule or regulation, or unethical or improper conduct.

Section III.

Alleged retaliatory actions toward the complainant for her good faith complaints about the issues described above.

To establish a claim for retaliation, the protected conduct must be the cause of any adverse action toward the Complainant. Complainant alleges she reported her concerns to the then-Director of Human Resources Jaclyn Riley in March 2021. Ms. Riley (who is no longer employed by CareerSource) denies this allegation. Ms. Riley further testifies that Complainant did not raise any concerns about CareerSource or Ms. Brackney. The retaliation component a little different, because it doesn't have to be necessarily a violation of law for retaliation to occur. You usually just have a good faith complaint on an issue and because you made a good faith complaint the organization did something adverse to you because of that complaint. That's a typical retaliation whistle blower claim. Again, applying the policy, the complainant has some timing issues on her discipline. Some of the discipline she received was before she complained, and before the organization was officially aware of these complaints. There are three sets of discipline: 1) On October 13th - Complainant's job responsibilities were changed; 2) October 25th - Warning Reprimand; and November 10th - Reprimand for sending CareerSource documents to personal computer.

The first is regarding the reorganization of the department as to reporting relationships. She claims she lost two subordinates. Two subordinates she didn't hire, fire, or conduct evaluations for. I'm not sure the reorganization is considered adverse in the sense that it would trigger a whistleblower complaint or an issue. Beyond that, the person who made the decision, Kris Lucas, to do that, his logic was sound. There is a business logic to it. He was unaware of the complaint. Managers have a right to restructure the department to try and be more efficient. Kris was universally praised by the witnesses except for one case where they said he's great, but he just lacks industry knowledge and is catching up and learning. That's important for the next section, because he asked for non-routine questions to be brought to him before they are sent to any outside agencies so he can understand the questions and they can talk about them. The complainant sent some questions out, to DEO, without running it by him. She openly claimed she didn't intend to tell him. On its face, when someone coaches you, again with no loss in pay, he just asked to have questions presented to him so he's aware of it. In this case, she did not do it. So, it's hard to say that that was somehow linked to her protected complaint here. She also included some opinionated language about the organization which may have influenced the reaction to it.

The complainant sent over 30 PDF organizational documents, which includes participant names and information to herself via her personal email. They were funneled through a generic email address in the organization. Her first excuse is that she has sent documents to her home in the past because she didn't have a laptop. However, that impediment ended in March 2020 when she was given a company laptop for which she could access company documents when needed. So that excuse is questionable. Her second excuse was she wasn't aware of the policy in question, so she didn't intentionally violate it. She also believes others engaged in the same practice and didn't receive discipline. Mr. Kris Lucas indicated that he was not aware of any other employee sending documents to their personal email. Every organization Mr. David Harvey has dealt with typically has a policy, especially when you're dealing with personal information, that can be used to steal someone's identity. You don't want that information in private email accounts.

All individuals interviewed were complimentary of Mr. Lucas (other than his lack of industry knowledge) and did not raise any concerns of improper animus. Therefore, we credit his denial of animus and his reaction to the situation. CEO Brackney was informed of the discipline after the decision was made by HR and Mr. Lucas to issue it. Therefore, we are unable to substantiate that is discipline was caused or issued in retaliation for the Complainant's protected activities.

Section IV.

Perceptions of Toxic or Hostile Work Environment

Section four exceeded the scope of what Mr. Harvey was charged with doing. A “toxic” work environment does not violate any law, rule or regulation; nor does it appear to rise to the level of “improper conduct” envisioned under the Whistleblower policy. Every organization has its own culture. Netflix and Amazon have a reputation for being cut-throat. You can work there one day, and be gone the next, and no one gives a second thought about it. However, my opinion, this organization is focused on helping people. That focus flows over to the organization internally. Because of that, the behavior you might see in other private sector employers, might ruffle some feathers here. However, the investigation process does reveal a perception that such an environment exists.

Throughout the course of the investigation, Mr. David Harvey noticed a theme from current and former employees about the atmosphere and the perception of the environment here. Due to this theme, Mr. David Harvey, he created the fourth section and recommended that we probably have some employee engagement and perception issues that we might want to address.

Every organization has its own culture and what norms of governance is acceptable or appropriate conduct. We suspect that CareerSource’s culture leans away from conflict and open criticism. We suggest CareerSource review these concerns and develop a proactive response to help address the perception issues.

Chair Harless thanked Mr. David Harvey for his work and the report. He opened the meeting to questions by board members to go over their concerns, questions, and indicated he wants them to understand Mr. David Harvey’s methods about each of the items.

Discussion:

Mr. Mike Jalazo suggested that more conversation is needed regarding Section V. He indicated, several board members, including himself, have received a lot of these complaints. He questioned the Board’s liability and responsibility to address these issues. Many of the employees who have reached out him are current employees that have considerable tenure with the organization, who expressed concern about retaliation; they are actively looking for other positions and some have gone to CareerSource Tampa Bay. We’ve had a talent drain. He again, expressed his concern of liability for the Board of Directors. He went on to note, that if we keep getting these complaints, and they are never addressed, *“Are we opening ourselves up to liability?”* This should be a concern of the Board. Mr. Jalazo wants to better understand his liability if we have knowledge of issues. It’s important to not make a big issue of it, however we don’t want to take it lightly. Mr. Jalazo stated, *“I am not sure what I should do when I receive these complaints from employees? I certainly think we have a problem, and we should do something about it.”*

Ms. Stephanie Marchman responded that in terms of liability to the Board, the Board is doing something. You are here today. We hired an outside investigator who thoroughly investigated the complaint. In terms of Section IV. A hostile work environment is a legal term. It’s when there’s conduct occurring based on some protected characteristic, and that’s not what we are here about today. I think Mr. David Harvey would confirm, that there are no allegations related to any activities taking place related to protected characteristics, and that was the nature of the investigation. However, if there is an expectation for a “warm and fuzzy” environment and that’s not what they are seeing here, there may be a disconnect. That is not legally actionable. I would think the Board would want to look at it and taking steps to help bridge the divide. This is exactly why the Chair is recommended sending Section IV to the Compensation Committee. This Committee could review and identify steps to focus on employee engagement. One recommendation that was presented at the last board meeting, was an employee engagement survey.

Ms. Stephanie Marchman reiterated, so to clearly answer your question, the board is doing its due diligence. It is doing exactly what it should be doing.

Mr. Mark Hunt noted that we are all involved in organizations. In the last two years, all of us have experience issues with employee morale. I don’t think CareerSource is immune to that. Have there been things done internally to try and create a more palatable culture for the employees?

Chair Harless responded to that he will partially answer the question. According to Chair Harless, he started to receiving information from current and former employees about a year and a half ago. He noted that these

individuals did not want to come forward publicly. He indicated that because of the Sunshine Law, he was limited as to what he could do. Mr. Barclay Harless noted that he has suggested a 360 evaluation process. He indicated that he also suggested an anonymous hotline, and the CEO did not move forward with this suggestion. Therefore, he indicated that he would put himself out there to be a resource for employees. And, as mentioned previously current and former employees have used that forum. The difference between those complaints, and this one, this is a public complaint.

Ms. Jennifer Brackney said that proactive steps to improve employee engagement have been put in place from town hall meetings to bi-monthly newsletter to employee lunches sponsored by board members. She strives everyday with her senior leadership team to implement the mission of this organization and overall, in her opinion, we have done a very good job of it. With that said, she acknowledged there is always room for improvement.

The anonymous hotline was discussed with Chair Harless and Board Counsel, Stephanie Marchman. It was also discussed with the Board of Directors early in the separation of shared services. Since, little can be resolved with more anonymous complaints, and there are currently about 30 ways an employee can express concern or highlight an issue, it doesn't seem helpful to implement another avenue to complain anonymously. One of those ways to express concern, has always been to reach out to the Board Chair. The Board Chair direct number has always been available for employees previously, and is now available. As previously mentioned, employees have been reaching out to Chair Harless for about a year and half. Ms. Jennifer Brackney also indicated that, until this complaint, she has not received a formal complaint from any employee, nor has she received feedback from the Board Chair regarding the complaints that he has received. Additionally, she indicated that this organization has a lot of pressure on it to meet performance goals (USDOL, DEO, HB1507). She acknowledges that she has discussed with the leadership team and others that it's important to conduct the work we do with "heart" however, we also have to have a pulse on individual performance, and how that performance impacts the overall performance goals that we are held to be the USDOL/DEO.

Chair Harless stepped in and reminded the board members to direct their questions to Mr. David Harvey in order to get a full understanding of the investigation.

Commissioner Flowers thanked Mr. David Harvey for his thoroughness. She appreciates it based on her HR background. She asked, as a result of the information presented in Section IV, were there any potential recommendations from those you interviewed as to what they would like to see as a result of your interview (absent of those things that we have to do related to performance goals)?

Mr. David Harvey responded that he always questions the usefulness of anonymity. He understands why some people don't want their name to come forward. He added that he didn't specifically ask for any recommendations. The common theme, the leadership team had concern that the performance of other co-workers was discussed with them. They felt it was difficult to hear about their co-worker's performance. They had a visceral reaction to it. Unfortunately, you don't always like to make a decision without bouncing ideas off others. I get it, sometimes I talk about the performance others with my co-workers. However, here they were uncomfortable with the discussion. One person suggested that Jennifer stay but a different person in the organization take over. But that was their opinion. That was pretty much it as far as recommendations.

Dr. Rebecca Sarlo. There is a big difference from collecting information and doing something about it. Transformation is tough. Plus, you couple that with the pandemic and, all it has to offer. There's no doubt that an organization has to be even more intentional about community building during these times. We are seeing behavior in tenured employees that is concerning. What is our working idea of why that is happening now? What can we do, as a Board, to help employees engage in their work? We should ask our employees what would make it better for them. By not asking them, we are focused on the concern, not on what we can do to move forward. That is the biggest gift that we can give Jennifer to help move this forward. We want engaged employees. We need an action plan. Without an action plan, it is just complaining with no focus on how to move forward.

Mr. Jack Geller asked the question, "*Aren't we drifting away from the purpose of this meeting? Isn't this meeting to address the whistle blower and what we are going to do as a Board in relation to that and then, moving Section IV to the Compensation Committee for review.*" The Compensation Committee can then start to develop a plan, present it to the board, and move this forward.

Chair Harless. Agreed with Mr. Jack Geller. Formally, we have the response to the three issues raised by the complainant and investigation by Mr. David Harvey. The fourth issue is what we are discussing now. Chair Harless offered to close-up the discussion loop, if desired, or we can continue with the discussion.

Mr. Michael Jalazo, responded that in part that was his question. The Board needs to address the whistleblower complaint, but we also have Section IV. Is it in our best interest, as a Board, to address Section IV in the Compensation Committee? He indicated that it seems that we are in some weird territory now. Jennifer has talked about performance, yet in this complaint, it mentions lack of industry knowledge among some of the leadership team. Is it best to address Section VI in the Compensation Committee? Mr. Jalazo goes on to state that the reason he is bringing this up is because of the whole sunshine-thing. He referenced that Chair Harless started to receive these same sorts of emails, letters, and anonymous things about the same time he did. It's what started the whole sunshine discussion we had. He indicated that he had called and asked Chair Harless if he received them too, and he shouldn't have him.

Mr. Michael Jalazo indicated that he gets that's the hostile work environment is not specific to whistleblower. If there are two issues, then let's separate the two. Let's address the whistleblower and close the loop. But, as a Board, we have some other questions that we clearly have to discuss.

Mr. Jalazo indicated that he understands COVID and turnover, and notes that he has had turnover in his organization. But there is a difference between turnover, and the complaint processes. Because there are people who work for us now, who are in key roles, who don't want to come forward because when they use the current process, they get demoted or transferred, so they feel they are being retaliated against. So, if that process isn't working. How do we address the complaint process?

And, then it's confusing about how to do things in Sunshine. When he receives these complaints, his first instinct is not to call Jennifer. Maybe it should be? If there are thirty ways to complain yet employees feel like when they use the complaint process, there is a retaliation. What do we do? Maybe we are just addressing one employee complaint today. However, there can't be just one. He goes on to explain that he has heard from several employees, and so has Chair Harless. These are legitimate complaints. When I get a four-page, detailed email from an employee, I have to take it seriously. What do I as a board member with these complaints? When does hostile or toxic environment rise to a legal issue? I do understand what we are doing this morning is specific to the section outlined in this report.

Mr. Jack Geller asked the question, "*What do we have to do as a board as to responding to the whistleblower?*"

Chair Harless suggested that unless someone has a specific question on items one through three of the report, what I am hearing is that there is consensus that these items are unsubstantiated. We can then move on to Section IV which was not part of the original complaint. **Chair Harless suggested the motion to adopt the findings of Mr. David Harvey's investigative report, Section I – III.**

The motion was approved by Scott Thomas and seconded by Commissioner Flowers. Chair Harless asked, if there was any additional discussion?

Mr. Michael Jalazo reading back to Section I, actually all three sections, what is going to be our plan for moving forward to deal with the implications from the Section I-III that impact Section IV?

Commissioner Flowers responded, if I may, that should be a separate discussion. When you are provided with a report like this, you either accept the recommendations that are provided by the person conducting the investigation, in this case Mr. David Harvey, or you do not accept his recommendation. If you do not accept his recommendations then, you state those things that you are recommending in place of his recommendations. The second part, which is probably causing some confusion for some, the Section IV of his recommendation offers an opportunity for a further discussion. The vote now indicates, I accept the recommendations from the report, and yes there were some questions and concerns. However, none of them rose to the level of disciplinary action for the CEO. The second part is now what are we going to do to address the perceptions, and it's hard to rule on perceptions.

Mr. Jack Geller asked, "*After the vote, what is the procedural next step counselor.*"

Ms. Stephanie Marchman offered a potential modification to the motion to include the conclusions that were drawn from the report on page 10: *Complainant made a Complaint under CareerSource’s Whistle-Blower Policy on October 29, 2021; Within 20 days of the receipt of this Complaint, an interview of Complainant was scheduled and conducted; we were unable to substantiate any violation of the law, rule, or regulation; we were unable to substantiate that the CEO engaged in “improper or unethical conduct” under CareerSource’s Whistle-Blower policy; and we were unable to substantiate that the Complainant was retaliated against due to her Complaint. Therefore, we affirm the disciplinary and other actions taken toward the Complainant.*

In response to Mr. Jack Geller’s question, Ms. Stephanie Marchman indicated that the decision of the Board will be recorded in the minutes, and the decision will be forwarded to the Complainant’s counsel and well as our carrier.

The maker of the motion modified his motion as offered by Ms. Stephanie Marchman, and Commissioner Flowers agreed.

RECOMMENDATION

Approval of adopting the findings of Mr. David Harvey’s investigative report, Section I. – III of the Whistleblower Complaint and the Conclusions of the report.

- Complainant made a Complaint under CareerSource’s Whistle-Blower Policy on October 29, 2021.
- Within 20 days of the receipt of this Complaint, an interview of Complainant was scheduled and conducted.
- We were unable to substantiate any violation of the law, rule, or regulation; We were unable to substantiate that the CEO engaged in “improper or unethical conduct” under CareerSource’s Whistle-Blower policy.
- We were unable to substantiate that the Complainant was retaliated against due to her Complaint. Therefore, we affirm the disciplinary and other actions taken toward the Complainant.

Motion:	Scott Thomas
Second:	Commissioner Flowers

The Board of Directors made a motion to approve adopting the findings of Mr. David Harvey’s investigative report, Section I. – III of the Whistleblower Complaint and the Conclusions of the report.

- *Complainant made a Complaint under CareerSource’s Whistle-Blower Policy on October 29, 2021.*
- *Within 20 days of the receipt of this Complaint, an interview of Complainant was scheduled and conducted.*
- *We were unable to substantiate any violation of the law, rule, or regulation; We were unable to substantiate that the CEO engaged in “improper or unethical conduct” under CareerSource’s Whistle-Blower policy.*
- *We were unable to substantiate that the Complainant was retaliated against due to her Complaint. Therefore, we affirm the disciplinary and other actions taken toward the Complainant.*

There was no further discussion. The motion was approved unanimously.

Chair Harless thanked the board members. And, moved to the discussion on Section IV of the report. Are there any questions or discussion?

Ms. Elizabeth Siplin asked if there is a performance counseling quarterly and annually? How does someone not know they are a direct supervisor?

Ms. Jennifer Brackney responded, the Complainant is coordinator. She is not supervisor. We do have annual performance evaluation. We are working on expanding the performance process and identifying ways we can incorporate more feedback loops into the process.

Ms. Elizabeth Siplin asked if there were exit interview for each employer? Are you capturing this information?

Ms. Jenifer Brackney responded that there are exit interview and that information is reviewed at a high level to help with continuous improvement. However, process for gathering the information, by the HR professionals, hasn't always been consistent.

Chair Harless indicated that he has a copy of the exit interview information. He went on to note that he thinks as every board member should, you can request that information, and he encouraged board members to do so.

Chair Harless indicated that he had a few follow-up questions for Mr. David Harvey. When you touched base with the former HR Director, Jaclyn Reilly. You said she was not treated with dignity and respect by the CEO. Could you elaborate on that? Second question, you talk about the culture. Is that the culture of the organization or is that specifically around the CEO? You indicated there were consistent comments and stories, could you touch on them.

Mr. David Harvey responded that there are two different cultures – this is a “fuzzier - touchy feely” culture. The criticism of the change in culture is at the higher level, not at the frontline. These are senior officials that are going through the change not the frontline staff. Ms. Riley was very complimentary of Jennifer. She claims that the interaction with the CEO described her unhappiness with the work product that she submitted. Everyone here has a passion for the goals of the organization and when they hear something negative, their hackles tend to rise. The consistent theme usually involved when an error occurred, the employee or former employee admits they made the error and felt the reaction to it was excessive or commentary about their expertise or professionalism.

Mr. David Harvey goes on to note, that you did not ask this question, however the reason why I put Section IV in the report, it is not a legal risk, the risk is turnover and the fact that people are using this complaint mechanism. You want labor peace. You want the organizational staff to go in the same direction. If they are writing these complaints every other month, it's going to use a lot of your time. You want everyone to be on the same team – Team CareerSource! And that's why I put this in the report.

Chair Harless indicated that he had one last question. You spoke about the unwarranted or unnecessary turnover. Is it your finding, that this turnover was because of this environment?

Mr. David Harvey responded that he believes the big part of the turnover is because of their perception of the environment and their reaction to it. If you talk about the Great Resignation, it is people leaving a job to work from home. Most of these employees, let their job to work at another job in a bricks and mortar location. In my opinion, that's not the Great resignation that is a perception issue.

Ms. Ivonne Alvarez asked when did these perceptions take place? Were they part of a review or just in passing? Was this done as a formal review?

Mr. David Harvey responded that Ms. Riley's feedback was not part of a performance evaluation. It was based on a work product that was submitted. In that work product, there were errors, and she admits there were errors. Ms. Riley feels the reaction to that work product was unnecessarily harsh.

Ms. Ivonne Alvarez indicated that she is a former teacher. Because as humans, we don't like to be criticized we like to be praised. She went on to note that this could be just her personal reaction to the feedback received about her work product.

Mr. Michael Logal indicated that he had a few observations. First, how does leadership address concern if, as the CEO, you don't know what's going on? It sounds like, at least two board members, have been receiving complaints from employees for over a year. If a board member receives a complaint, what should they do?

Ms. Stephanie Marchman responded that it depends on the nature of the complaint. Certainly, the board member could go to CEO Brackney, Board Counsel Stephanie Marchman and the HR Director Jacqueline Heyward is a resource too. The Employee Handbook was approved by the Board of Directors, and it clearly outlines the complaint mechanisms. Fear of retaliation by coming to any of you, that's not permissible under our policies. I am very sensitive to it. In my day-to-day work, I will tell you, Jennifer has consulted with me on every disciplinary action, and I look to ensure there is a legitimate, non-discriminatory, non-retaliatory reasons for every disciplinary action.

Mr. Michael Logal asked, “As the CEO, have you explained the “open-door” policy to every employee?”

Ms. Jennifer Brackney responded that she believes everyone is aware of the open-door policy. However, given the discussion, it may be helpful to touch base with all employees to ensure they fully understand the open-door policy.

Mr. Michael Logal asked, "Are most of the issues coming from one department?"

Ms. Jennifer Brackney responded that the resistance to change, seems to be with the team members who are entrenched in the way we have always done things. There seems to be a disconnect between the work done at the frontline and how that work impacts performance. The services provided, the length of service, the codes entered, and the number of placements, each of these activities have a direct impact our ability to meet/exceed performance. There is no way for me to manage performance on the backend. Part of the difficulty with implementing change within this organization is the resistance does not completely lie on the shoulders of our frontline team, there were/are directors who have actively resisted this change.

We have made tremendous strides forward in the last six months. I understand that we have to find that balance between working with "heart" and meeting performance. Based on HB 1507, the Board will receive a letter grade (A-F) for their performance. Based on our discussion today, it will be important as we move forward, for everyone from directors to our case managers to better understand why we do what we do. It's also important that everyone understand that they have a voice in the process. However, through policy, USDOL/DEO/LWDB prescribe how much of this work should be done. The bottom-line is our job must be to assist individuals with finding employment.

We are also reviewing the case management process. There is nothing wrong with the current process, however in my opinion, it is disjointed, has too many handoffs, doesn't provide continuity to the customer, and doesn't promote ownership. To ensure continuity and consistency for our customers, case managers should be responsible from the point of eligibility through training to employment and follow-up.

Dr. Rebecca Sarlo suggested that we have to manage to the mission of the organization. This organization is especially important now – the what and the why of the work. It's important that employees understand the reason why and what success looks like. It seems that overall, there is a sentiment that employees have provided feedback to certain board members, and then didn't get any response or feedback. It sounds like they were talking to the wrong person. Several of the employees, expressed frustration that they reached out to board members and didn't hear back. And, then none of these board members told the organization about these concerns. It's like dropping pennies in a well. Did that play into this situation ... probably! This is not only an organizational issue, but also its also a Board issue.

Mr. Mark Hunt agreed. He went on to explain that what has occurred with HB 1507 has put a tremendous amount of accountability on workforce development. The frontline work may not understand the change. If leadership is putting the change in place, the frontline person only sees the leadership. There needs to be some education. First, it might be helpful to educate the entire group about how things have changed this past year at the state level and explain how this impacts us. It might also be helpful for the Board to get involved in this message to the frontline staff. Maybe if it came from the Board, it would come across more universally rather than just a top-down approach. Maybe the Board has a responsibility to help with this communication. Paradigm shifts, during a difficult time, makes change even more difficult. If we can find a way to have this message come to the rank and file from the Board, it would help the leadership with implementation. It is important as board members that each of ask ourselves how we can support the organization and reinforce the message.

Commissioner Rene Flowers said that she is very familiar with the performance measure that Jennifer is talking about. It is a lot of pressure on the case managers. It sounds easy but some of the people are difficult to place. You have to have compassion but, you also have to get it done! It's the way that you keep your funding.

Secondly, whenever you Identify a problem, she believes you should present solutions. **Commissioner Flowers suggested several solutions for the Compensation Committee to consider: 1) side-by-side; 2) peer-to-peer; 3) continuous employee orientation or re-orientation; 4) 360 review; 5) survey/interview employees; 6) conduct board workshop or retreat; and 7) collaborative lab.** These are important so people can say what they want to help move things forward. We have to take into account how people are feeling, listen to what they are saying, and they figure out how we might be able to implement quality and touchy-feely things, and the perception. People want to be a part of the organization not just come to work.

She explained that even the board members should go through a similar process – a retreat or get together. To make sure that each board member clearly understands what our role is and how each board member is responsible for making things better for the organization. Each board member has to be willing to invest their time and effort to help make things better.

Commissioner Flowers added that she personally has not received any complaints. If I had, she would have touched base with the CEO, Board Counsel or HR and, then responded directly to the person. She indicated that they may not always like my response, but I would have responded! She encouraged board members who receive complaints to do the same.

Mr. Michael Jalazo said that it is important to stay solution focused. But here's the thing. What we are saying, or what it feels like to me ... it's COVID, it's performance measure, it's senior staff ... these are the problem. How often did anyone cite these issues during the investigation? A lot has been said about the services during COVID – they thought there should be more in-person meetings, more face-to-face services, workshops, etc. There are customers who could not use services in a remote platform. A lot of discussion about how you can code someone, move from program to program, the timing of it, and the appropriateness of it. The organization has been doing well, the numbers are the numbers. Maybe I'm not asking the right question, the senior management or the people who left. Is this all - Jennifer's fault – did they leave because of her? When there's smoke when does it become fire? Did they leave because of changes in COVID policy, because of performance or could you not establish? My fear is that we will lose some key people. Please stay with us.

Mr. David Harvey responded that none of the complaint presented by the Complainant was about culture. It was the collaborating witnesses that talked about culture. It seems former employees and current employees, are ok with the reporting structure.

Mr. Scott Thomas said, *"I don't think we are going to solve the problem today."* **I would like to make a motion to move Section IV to the Compensation Committee for further discussion.** We are just rehashing the same things. They can look in-depth, ask questions, and bring it back to the Board. The purpose of this meeting is to accept the investigators report and move review and discussion to the Compensation Committee.

Ms. Michele Matthews seconded the motion.

Chair Harless indicated that before the vote, he'd like to open it up for debate.

Ms. Elizabeth Siplin said that she doesn't have a debate however she does have a comment. I would recommend an organization Stand Down. They hear from the CEO, what is going on and what the requirements are. An have an overall understanding of what's going on in the organization. A Stand Down is an opportunity to talk with everyone.

Ken Williams thank Mr. David Harvey for the report. It seems very thorough. He suggested we inform the employees of what we do and how we do it. Ask each employee, do they know the process, understand the process, and do they trust the process. You will get many answers. We talked about perceptions. No one likes change. Some will agree with the changes, others will not. As a team, we have to focus on the goals, objectives, and communications. You want your story to be told the way you perceive it to be. Work culture and variables are always changing. How do we convey that to all individuals in the organizations? If we take what's we've learned in the past, we can grow to move forward. Perceptions, answers, information, if you keep it flowing, we can work together to keep it moving forward.

Mr. Michael Jalazo offered that this would be his last comment. He again indicated that he understands what is being said. He again noted that the people who called, texted, sent email, not one of them mentioned COVID or performance measures or old regime vs new. They all came back to the same things – toxic work environment, bullying, and retaliation. And, that all comes back to culture. He wants to be sure not to mix it up with performance measures. Maybe people complain to him because they think he has friendly ear. For some reason, they pick those few board members to talk with.

Mr. Michael Jalazo went on to say, *"Listen, I have people working for me that I think are completely happy but then, I got accused of emasculating someone, and I was like wow!"* But these complaints here, none of them that I've talked to mentioned COVID, performance measures, or old vs new. They are talking about culture. When the

wave of people leave, we are going to have the same conversation or the same complaints that I've received. We are going to be having this discussion for a while, as a Board. We clearly have to explore the culture issue. Because the lawyer, we hired when outside the scope of the investigation, to bring it to the Board. Mr. Jalazo indicated that he does hate the anonymity because he's always going to be known as the one who got in trouble because he called Barclay. How do we have this conversation and move it forward.

As board members began to leave the room, Chair Harless asked if a vote could be taken because we are about to lose the quorum. He went on to thank you everyone for participating. The motion on the floor was present by Mr. Scott Thomas and seconded by Ms. Michele Matthews.

RECOMMENDATION

Approval of referring the recommendations in Section IV of the report to the Compensation Committee for further review and recommended action, if any. Any recommended action of the Compensation Committee shall be submitted to the Board for review and any action the Board deems appropriate.

Motion:	Scott Thomas
Second:	Michele Matthews

Approval of referring the recommendations in Section IV of the report to the Compensation Committee for further review and recommended action, if any. Any recommended action of the Compensation Committee shall be submitted to the Board for review and any action the Board deems appropriate.

There was no further discussion. The motion was approved unanimously.

Open Discussion

None

Adjournment

Chair Harless adjourned the meeting at 9:51 am.