

**CareerSource Heartland Board of Directors Meeting  
June 19, 2019**

**MINUTES**

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Prior to convening the meeting, David Royal, Chair, led the group in an invocation and the Pledge of Allegiance.

**I. Call to order**

- A. The meeting was jointly called to order at 1:33 p.m. by David Royal, Chair of the Board of Directors and Commissioner Mike Thompson, Executive Board Chair.
- B. David Royal inquired if any 'Request for Public Comment' had been made and was advised that none had.

**II. Introductions**

David Royal, Chair of the Board of Directors, introduced himself and then called for introductions by board members and others, including those participating by phone. See end of minutes for all attendees.

**III. Set/Amend Agenda**

Before setting the agenda, David Royal announced 2 necessary corrections. The 1<sup>st</sup> correction under Section 6A to notify the Board that Adam Lowery from My Company Trader would not be presenting. The 2<sup>nd</sup> correction under Section 7B to note the correct date of the most recent F&O committee meeting on June 13, 2019.

- A motion was made by Board member, Gary Ritter, to approve the amended agenda.
- Motion seconded by Board member, Mary Dow.
- Motion carried.
- LEO unanimously approved.

**IV. Consent Items**

David Royal inquired if there were any questions/corrections to any of the minutes presented. Board member, Lois Hilton, pointed out the need for a correction to the April 17, 2019 Board minutes under section 7B to correct the name of F&O committee chair from Michele Hilton to Lois Hilton.

David Royal called for a motion to accept the meeting minutes as amended from the April 10, 2019 Finance and Operations Committee, the April 11, 2019 Vision & Mission Review Committee, the April 17, 2019 Board meeting, the April 18, 2019 Executive Board Meeting, the May 21, 2019 Ad Hoc Nominating Committee, and the June 6, 2019 Business Enhancement Committee meetings.

- A motion was made by Board member, Mary Dow, to approve the presented minutes.
- Motion was seconded by Board member, Gary Ritter.
- Motion carried.
- LEO unanimously approved.

**V. Executive Board Chair Action**

- A. Executive Board: Commissioner Mike Thompson, Chair  
Action Item(s):  
None

- B. Board of Directors: David Royal, Chair

1. David Royal presented letters and certificates of appreciation to departing Board members: Adrian Cline, Benjamin Dunn, and William Lambert, and to Lois Hilton for her service as Secretary/Treasurer.
2. David Royal announced that Lois Hilton's term as Secretary/Treasurer is up. Ms. Hilton is not eligible to serve in an office position again and Mr. Royal asked for volunteers to fill the Secretary/Treasurer office. With none received, Mr. Royal announced that Board members interested in this position or wishing to offer a nomination should Contact CSH President/CEO, Donna Doubleday. Mr. Royal also recommended to the Board that the members of the May 21, 2019 Ad Hoc Nomination Committee remain the same for Secretary/Treasurer nominations.
  - A motion was made by Board member, Joshua Exendine, to keep the same 5/21/19 Ad Hoc Nominating Committee members for Secretary/Treasurer nominations.
  - Motion was seconded by Board member, Mary Dow.
  - Motion carried.
  - LEO unanimously approved.

## VI. Presentations

- A. CareerSource Heartland – Maria Palacios, previous CSH program participant, provided a brief historical background for herself and her experiences participating in the Farmworker Career Development and the Panther Youth Partners programs.

Looking back, Maria expressed thankfulness for the many opportunities the Panther Youth Program opened for her. Maria said she always had the support from her family, but to have that outside support – wanting her to succeed, their encouragement and expression of the potential they saw in her, gave Maria even greater motivation. Maria feels fortunate to have been in the program and expressed her thanks to the CSH Board.

## VII. Committee Reports/Actions

### A. Ad Hoc Nominating Committee for Board Offices: David Royal, Chair

David Royal reported that the Nominating Committee met on 5/21/2019 to discuss any nominations received for CSH Board Chair and Chair-Elect. The Ad Hoc committee approved the recommendation to reappoint David Royal for a 2<sup>nd</sup> term as CSH Board Chair and William Nielander for a 2<sup>nd</sup> term as CSH Board Chair-Elect as described in the action items.

The Board voted on these action items together.

- A motion was made by Board member, Mary Dow to approve reappointment of David Royal as CSH Board Chair and William Nielander as CSH Board Chair-Elect, both for a 2<sup>nd</sup> term.
- Motion seconded by Board member, Joshua Exendine.
- Motion carried.
- LEO unanimously approved.

### B. Finance & Operations Committee: Lois Hilton, Chair

Lois Hilton reported that the Finance & Operations Committee met on 6/13/2019 to discuss the below action items.

#### 1. Action Item: Approval of the proposed budget for FY 2019-20

Referring to the Action Item in the Board packet, Lois Hilton explained that the F&O Committee met on 6/13 and voted to approve the proposed budget as presented. President/CEO, Donna Doubleday, explained that the largest increase to the budget is attributable to personnel costs which includes the cost of 2 additional positions: 1) Sector Strategy Program Manager, 2) Career Specialist. The combined wage increase for these 2 positions together equals \$75,200. \$41,450 is for salary increases and the rest for projected benefits costs. The grand total of the wage increase equals \$116,700.

Ms. Doubleday went on to explain that CSH had a 22% turnover rate last year. Although extenuating circumstances were reported for individuals that left, all individuals that left reported earning more

money. Looking at the labor market information it was determined that for every position except 1 (the Customer Service Representative position in Highlands), CSH is below market payrates. Even with approval of the proposed increase, CSH will still be below labor market payrates.

Related to the proposed increases, a question was raised on the ability to support the increase in the future. Ms. Doubleday explained that funding is allocated annually and, because of that, she is unable to guarantee future sustainability. However, Ms. Doubleday reported that CSH did receive 1.4M in performance funding over the last 2 years and that CSH is poised to receive an additional \$250,000 more in performance funding for the 2017-18 program year. Ms. Doubleday expressed staff's belief that CSH is able to cover the cost of the proposed budget increase for the next year.

The percentage of rate increase varies for employees based on position and length of service. This translates into a range from 2.6% - 14%, with overall average at 5.96%. A 14% increase represents the base for 1 paygrade level, that being the level of Chief Information Officer, Chief Finance Officer, and the Chief Programs Officer. That base, if approved, increases from \$52,500 to \$60,000. The base for the President/CEO position increases from \$73,500 to \$80,000, resulting in an actual increase for the CEO from \$92,400 to \$98,000.

In response to a Board member question, Donna Doubleday explained that the performance money received helps to extend the allocations for CSH's 2-year funding. That said, unspent monies can be deobligated.

- A motion was made by Board member, Donald Samuels, to accept the 2019-20 budget.
- Motion seconded by Mary Dow.
- Motion carried.
- LEOs unanimously approved.

## **2. Action Item: 50% ITA Expenditure Requirement Consideration of Waiver Request.**

Referring to the Action Item in the Board packet, Donna Doubleday explained that law requires a minimum of 50% of CSH's Title 1 funds for adult and dislocated workers be allocated to ITAs. That said, CSF recognizes that CSH has fixed overhead costs that impacts CSH's ability to meet the 50% ITA expenditure rate. In response, CSH has historically requested a waiver following CSF's approved waiver policy. The F&O Committee recommended approving the action to applying for a 30% ITA expenditure rate waiver for 2019-20.

- A motion was made by Board member, Mary Dow, to approve applying for a 30% ITA expenditure rate waiver for 2019-20.
- Motion seconded by Donald Samuels.
- Motion carried.
- LEOs unanimously approved.

## **3. Action Item: Review Board of Directors Ethics and Transparency Expectations**

Referring to the Action Item in the Board packet, Donna Doubleday explained the necessity of adding a formal ethics and transparency policy to the Board Member Resource Guide. This is to effectively notify CSH Board members that ethics and transparency must guide their decision-making in the fulfillment of their oversight and strategic planning roles.

Ms. Doubleday directed attention to the Ethics and Transparency Expectations policy included in the Board packet for review and acceptance of its inclusion in the Board Member Resource Guide.

- A motion was made by Board member, Mary Dow, to approve inclusion of the presented Ethics and Transparency Expectations policy in the Board Member Resource Guide.
- Motion seconded by Benjamin Dunn.
- Motion carried.
- LEOs unanimously approved.

#### **4. Action Item: Review DEO Programmatic Monitoring Report**

Referring to the Action Item in the Board packet, Donna Doubleday directed attention to the DEO Programmatic Monitoring Results report and CSH's corrective action plan. Referring to page 28 of the report, Donna Doubleday discussed the issue taken by DEO in response to CSH's handling of job referrals.

DEO has stated that job referrals cannot be made unless candidates match all job qualifications exactly. However, businesses posting job orders are requesting the inclusion of candidates who closely match the qualifications, asked for due to the difficulty in finding candidates who meet the full requirements.

Ongoing conversations with DEO are taking place to resolve this matter. Ms. Doubleday stated that we should know soon what DEO's solution to this will be. Other than this, and an issue we are getting more information on pertaining to migrant seasonal farmworkers, DEO has accepted CSH's corrective action plan.

- A motion was made by Board member, Gary Ritter, to acknowledge receipt and presentation of the DEO Programmatic Monitoring Results report and CSH's corrective action plan.
- Motion seconded by Mary Dow.
- Motion carried.
- LEOs unanimously approved.

### **C. Business Enhancement Committee: Raymond Royce, Chair**

#### **1. Action Item: Review and Approval of the Demand Occupations List**

Referring to the Action Item in the Board packet, Donna Doubleday explained that CSH received a number of requests for addition to the DOL including: *Electrical Power-Line Installers and Repairers, Machinists, Correctional Officers and Jailers, Automotive Service Technicians and Mechanics, Medical Assistants, Nursing Assistants, and Electro-Mechanical Technicians*. All of these requests met the qualifications and had enough data to support their addition to the list. An additional request was made to add: *Diagnostic Medical Sonographers, First-Line Supervisors of Food Preparation and Serving Workers, and Social and Human Service Assistants*; however, CSH was not able to verify or obtain data to support their addition.

At the 6/6/19 Business Enhancement Committee meeting, the committee approved recommending acceptance of the 2019-20 DOL as presented with the inclusion of: *Electrical Power-Line Installers and Repairers, Machinists, Correctional Officers and Jailers, Automotive Service Technicians and Mechanics, Medical Assistants, Nursing Assistants, and Electro-Mechanical Technicians*.

- A motion was made by Board member, William Nielander, to approve the Demand Occupations List with additions as presented.
- Motion seconded by Donald Samuels.
- Motion carried.
- LEOs unanimously approved

#### **2. Action Item: Workforce Services Contract – DeSoto Memorial Hospital**

Referring to the Action Item in the Board packet, Donna Doubleday reminded members that related-party contracts require a 2/3rds approval of present Board members once a quorum has been established. The Workforce Services Contracts have proven a successful method of obtaining Board approval for expenditure of funds on related-party business without the need to call special meetings for each individual training agreement.

DeSoto Memorial Hospital has requested work-based training funds in the amount of \$7,000.00 to provide training opportunities in various healthcare-related subjects to approximately 7 medical employees, with a completion date of December 31, 2019.

- A motion was made by Board member, Gary Ritter, to approve the presented Workforce Services Contract with DeSoto Memorial Hospital in the amount of \$7,000.00 to provide training opportunities to approximately 7 medical employees in various healthcare-related subjects with completion date of December 31, 2019.

- Motion seconded by Mary Dow.
- Motion carried.
- LEOs unanimously approved

Lois Hilton abstained from voting and signed a conflict of interest form due to her employment with DeSoto Memorial Hospital.

## VIII. Executive Reports

### A. President/CEO Report: Donna Doubleday

Referring to the report, Donna Doubleday specifically commented on the following items:

1. The Sector Strategy Roundtable met on 5/8/19. Survey results, clarification of entry level skills for manufacturing, critical hiring issues, value of the Certified Production Technician training, retention strategies, and the strong need for leadership and training for leadership in the industry included the topics discussed. Surveys are currently under development to gauge interest in: Certified Logistics Associates, Certified Logistics Technicians, and co-op/apprenticeship opportunities.
2. CSH has no current Board vacancies.
3. The Wells Fargo/TIPS \$6,000 grant has been completed for this year. CSH had 27 businesses and 113 individual employees who participated. A similar grant has already been awarded for the upcoming year.
4. The 2<sup>nd</sup> required reconciliation of our infrastructure cost-sharing agreements covering July-December 2018 has been completed. The 3<sup>rd</sup> required reconciliation covering January-June 2019 will begin after year-end closeout processes have been completed.
5. On 5/15/19, the Department of Labor's Employment and Training Administration issued their report on the compliance review of CareerSource(s) Tampa Bay and Pinellas. The report identified seventeen findings, three areas of concern, and \$17,643,409.87 in questioned costs, subject to disallowance. The Federal Bureau of Investigation's review continues. While we are confident that the issues and questionable practices identified in the report are not occurring locally, we are carefully reviewing our governance systems, program processes, and financial/administrative controls. The Florida Workforce Development Association is working closely with CareerSource Florida and the Department of Economic Opportunity to identify areas where additional guidance or clarification is needed.
6. Zachary Johns, CSH's Chief Information Officer, resigned on May 17<sup>th</sup>.
7. CareerSource Florida grants received: Contract is in place for with South Florida State College for the Soft Skills implementation; CVS Pharmacy Tech Apprenticeship was just approved by Florida's Department of Education. We are awaiting communication from CVS.
8. CareerSource Florida retained Cambridge Systematics to study the Gig Economy and Florida's Workforce System. The study has been completed. The report was included in the Board packet.
9. Soft Skills (foundational skills) workshops are occurring in each of the CSH Centers. CSH continues to receive positive feedback from those attending. An example of such feedback was provided in section 6 of the Board packet – Kudos.
10. As of 5/31/19, SFSC Panther Youth Partners program appeared to be on track to meet or exceed contracted enrollment and performance requirements.
11. On 6/7/19, President/CEO met with Highlands Center landlord to negotiate a new lease following expiration of the current lease which will take place on 9/17/20. Despite the 9/2020 expiration date, it was agreed that the new lease will actually begin 7/1/20, but will continue with the increased rate (\$15.54/sq. ft.) for the 1<sup>st</sup> 3 months through what would have been the initial lease period. However, beginning in 10/2020, the lease rate will drop to \$12.50/sq. ft. The escalating 2% increase was removed in the new lease.

### B. Programs Report:

As presented

### C. Finance Report:

As presented, but of note, the ITA Requirement is currently at 39.58% (an excess of 9.58%) and the Youth Work Experience Requirement is currently at 24.40% (an excess of 4.40%).

**IX. Time for Board Members/Other**

- A. Economic Development updates were reported on by Sarah Pelham for Hardee County, Meghan DiGiacomo for Highlands County, and Commissioner Owens for Okeechobee County. No report was presented for DeSoto County.
- B. Other items of interest by/for Board Members
  - David Royal reminded Board members to complete Form 1.
  - Lenora White presented an update on DeSoto and Hardee One-Stop Center activities. Kimberly Asselin presented an update on Okeechobee County One-Stop Center activities and Shannon Kuen presented an update on activities of the Highlands County One-Stop.
  - Board Rotation of Education and Economic Development Partners: Highlands County School Board has not identified their individual yet. Mike Taber will be returning as Economic Development Representative for DeSoto County and Megan Smith for Okeechobee County.

**VIII. Next Board Meeting**

David Royal announced the next board meeting which will be held on October 23, 2019 at CSH office in Sebring.

**IX. Adjourn**

As there were no other matters brought before the Board of Directors and/or the Executive Board, the meeting was adjourned at 3:11 p.m.

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**Board members present/participating:** David Royal-Chair, William Nielander-Chair Elect, Lois Hilton-Secretary/Treasurer, Mary Kay Burns, Adrian Cline, Kevin Cundiff, Mary Dow, Benjamin Dunn, Joshua Exendine, Stefanie Gonzalez del Real, Dan Graham, Yessenia Irizarry, William Lambert, Debbie Meliti, Wayne Olson, Gary Ritter, Donald Samuels, Amanda Wilson

**Board members absent:** Russell Brown, Vanessa Hernandez, Thomas Leitzel, Raymond Royce, Sherry Sapp, Sandy Swanson

**Executive Board members present/participating:** Commissioner Elwell, Commissioner Owens, Commissioner Thompson

**CareerSource Heartland staff present:** Donna Doubleday, Ann Martin, Sheryl Elliott, Keith Hayden, Brian Mercurio, Lenora White, Shannon Kuen, Kimberly Asselin, Maria Palacios

**Public attendance:** Sarah Pelham, Meghan DiGiacomo