



P.O. Box 3726, Charleston, WV 25337  
426 Leon Sullivan Way, Charleston, WV 25301  
Telephone: 304-344-5760  
TDD: 304-343-4136  
[www.wdbkc.org](http://www.wdbkc.org)

## **Workforce Development Board of Kanawha County**

### **Special Called Board Meeting March 2, 2023**

#### **Board Minutes**

##### **Present:**

Commissioner Carper CLEO  
Aaron Alexander  
Rachel Bowman  
Carol Howerton  
Todd Jones  
John Haer  
Carl Olian  
Chanda Perry  
Lee Roberts  
Chris Settles  
Dustin Vaughan

##### **Absent:**

Paul Breedlove  
Steve Collins  
Becky Judy  
Brett Matthews  
Greg Osbourne  
Derrick Thomas

##### **Staff:**

Summer Johnston  
Julie Norman  
Michele Painter  
Courtney Saunders  
Nita Shafer  
Derek Vance

##### **Guests:**

Amber Jackson  
Jarl Taylor  
Jason Roberts  
David Rogers  
Jeffery Huffman  
Jennifer Herrald  
Maureen Persons

Vice chairman Carl Olian called the meeting to order at 10:30 am in the absence of Brett Matthews. Carl asked Courtney Saunders for a roll call, and she identified the members and guests present and on Zoom.

#### **New Business-Letter from Workforce WV**

Carl said that the main purpose of the meeting today was to discuss the demand for reimbursement of funds made by WorkForce WV.

Carl said they are not disallowed costs; they're allowed costs. It is with policies and procedures that would determine to what extent they were allowed. From the board's perspective, when they brought Julie on, there were several candidates, but no one met her qualifications. They thought she was by far the best candidate.

Commissioner Carper asked if the board had voted on the raises and other costs that are being deemed disallowed. The answer was yes. Commissioner Carper asked to see records of where Julie Norman's salary was discussed during either Executive Session or brought in front of the entire board. Commissioner Carper said that Andrew Gunnoe reported back to the commission that during the Executive Session during the October 2021 meeting Julie's salary increase was tabled.

Chris Settles added that there are emails between Julie and the Executive committee discussing the issues the board had. Other salaries were voted on and approved but the amounts were not disclosed in the minutes from the October meeting. Chris said that from the documents that he has



P.O. Box 3726, Charleston, WV 25337  
426 Leon Sullivan Way, Charleston, WV 25301  
Telephone: 304-344-5760  
TDD: 304-343-4136  
[www.wdbkc.org](http://www.wdbkc.org)

seen, neither the bonus of \$29,718.99 nor the salary increase of \$26,000 was not done in October. Carl responded that it was in December. Chris asked if they were both in December. Julie responded the bonus was in December and the raise was in November. Commissioner Carper asked what Dr. Norman's plan was to deal with this debt. Julie responded that her plan is to take Commissioner Carper's recommendation as the chief elected official and do whatever it is he recommends.

The question posed by WorkForce West Virginia is whether or not to dispute the findings which buys some time and then WDBKC could get legal representation to delve into this a little further which Julie thinks there is a myriad of things that could be uncovered if that was an option. The other option is to admit that WDBKC was wrong and pay the money back. Julie said that this agency does not have any unrestricted funding. Julie said filing a claim with BRIM is another option but was unsure if that was something the board was prepared to do today. Commissioner Carper asked if anyone had considered that if the claim with BRIM was filed, they could come back to each member of the board personally.

Commissioner Carper asked Julie if she admitted any responsibility for any of these mistakes. Julie responded, "no because WDBKC had a merit pay policy in place." Commissioner Carper asked about the emails to Brett. Julie responded that her employment offer contained three things: relocation costs allowable under OMB circular, sign-on bonus allowable under OMB circular and an incentive bonus of 5% of any new grant funds brought in above and beyond our regular allocation. Chris asked if the exact language in the contract said potential. Julie responded "yes, it said potential, but I brought it in." Julie reported that after six months of being the Executive Director for the WDBKC, she had brought in an additional couple million dollars and the board approached her to pay her according to her employment contract, which is the amount in question of \$ 29,718.99. Julie reported that she reached out to WFWV to make sure this was allowable and, in conversations with the staff at WFWV, she learned that is considered fundraising and the employment contract needed to be modified. WFWV said that the board could pay a merit increase though for exemplary performance. The board chose to live up to its promise and pay Julie for bringing in additional grants to the organization. Commissioner Carper said the state says it is disallowed and you disagree with the state, but Dr. Norman you are placing the blame on the board, correct? Julie responded that she does not make the decisions. Commissioner Carper asked why the employment contract was altered. Julie responded that it needed to be amended to add the merit pay bonus. Commissioner Carper wanted to know why Lucinda Curry, who was no longer on the board, signed the amended contract and backdated it. Julie responded that once WDBKC learned that the 5% incentive bonus was not allowable as originally written, they reconvened the members that wrote that contract to amend it to add a merit bonus in lieu of the 5%, and Lucinda was the person who signed the original contract. Commissioner Carper asked why this was done. Julie responded that the board felt like they had an obligation to live up to the contract that was offered to her and that they could only do so by a merit bonus. Julie added that when the employment offer was made, she wasn't an employee here. "Regarding when the bonus



P.O. Box 3726, Charleston, WV 25337  
426 Leon Sullivan Way, Charleston, WV 25301  
Telephone: 304-344-5760  
TDD: 304-343-4136  
[www.wdbkc.org](http://www.wdbkc.org)

was made in December of 2021, we did have a merit pay policy in place. My understanding from the language in this final report, the issue is not the payment itself; it is that the policy language, and the methodology is not clear enough. So, for that, I will take responsibility." Commissioner Carper asked if a performance evaluation was done, who did it, and if the full board ratified it. Julie responded that she had given it to the Executive Committee. Commissioner Carper asked if the full board had ratified the evaluation and he noted that the performance evaluation was not dated or signed by Julie Norman. Commissioner Carper said that according to Julie's employment contract, her employment ends next week. Julie responded that it does not end next week but the dates are referring to if Julie were to leave before that date, she would need to repay back a prorated portion of the sign on bonus she received. Chris Settles said in exchange of a sign-on payment employee shall remain employed for two years from March 8<sup>th</sup>, 2021, to March 7<sup>th</sup>, 2023. Julie responded that the language is referring solely to the sign on bonus. Chris asked if Julie was employed for an indefinite period of time and Julie responded that she is employed by the board as an at-will employee and that is how she has been operating for the last two years. Commissioner Carper said that the contract expires next week, but that a decision can't be made today because it was not on the agenda.

Commissioner Carper asked if the plan was to file a claim with BRIM. Julie responded that it would be up to the board. Commissioner Carper responded that because of the emails Julie sent regarding how to get around the CFR, BRIM could hold the members who voted for this personally liable. Julie responded that she only sent them what WFWV sent her. Commissioner Carper asked what trips have been planned for this year and if Julie was concerned about this debt. Julie responded that the trips had been planned for months and she didn't learn about the debt until February 14<sup>th</sup>.

Chris said that in November, WFWV made WDBKC aware it was a disallowed cost, which Julie responded and said that WDBKC had responded to the findings and thought that was adequate. Chris Settles then asked if Julie admitted she was the one who came up with the \$29,718.99 and Julie said no, she only provided the board with what they asked her for. Chris then read an email that Julie had sent to Brett on November 8<sup>th</sup>, 2021 [Prior to learning on November 16<sup>th</sup> 2021 from WFWV that incentive pay was not allowed] "I would suggest either adding another numbered item to the body of the contract or an addendum that simply says a 5% bonus will be paid to the director quarterly based on any new grant secured and awarded to Region III Workforce Development Board in the previous quarter. That is in addition to the regular annual allocations WIOA for adult, youth, and dislocated workers. Or whatever else you think is pertinent, just let us know how you like to proceed. Right now, we have two new grants Empowered Employment of \$469,283.76 and career planners of \$125,096. So, the 5% quarterly bonus would be \$29,718.99". Julie responded, "they were trying to pay me based upon my employment contract, and I did not generate that number, that is factual."

Chris said "so Dr. Norman you and the chairman did not sit down and craft a plan on what to tell



P.O. Box 3726, Charleston, WV 25337  
426 Leon Sullivan Way, Charleston, WV 25301  
Telephone: 304-344-5760  
TDD: 304-343-4136  
[www.wdbkc.org](http://www.wdbkc.org)

the board so you could get your bonus?" Julie said no.

Commissioner Carper said what has happened here is the state has deemed the 5% bonus of \$29,718.99 unreasonable which now makes it disallowed. Carl said that is what we do not agree with, and Commissioner Carper asked what we were going to do to win this disagreement with the state. Carl suggested hiring an attorney and that he knew of one skilled in OMB guidance. The attorney's name is Paul Ellis. Commissioner Carper asked who was going to pay for that and Carl said that the board. Julie asked Rachel if this would be allowable or not and Rachel said she would find out.

Chris said that the audit report from WFWV says throughout that there are not sufficient internal controls. The merit pay policy only covers the employees and not the Executive Director. Aaron Alexander said that after meeting with WFWV staff with Brett Matthews regarding this debt, he doesn't believe there is any indication that the board violated any federal regulations, but it still comes down to internal controls and policies.

Aaron said it is unfortunate that WFWV did not give WDBKC any time to respond to the last letter before it went to Commissioner Carper's office because the last WDBKC had heard anything was in November when the response to the audit findings was drafted and sent over to WFWV. There is now only two weeks before a decision must be made on the letter and Commissioner Carper's office must be in contact with Mr. Adkins' office.

Chris responded to Aaron that the commission office knew what the state's position was back in November on this matter and wanted to know why WDBKC did not start working on this sooner. Aaron responded that he had helped draft the audit response which was sent in November and then nothing was received back from WFWV. Do we challenge it and get an attorney or admit fault and find a way to pay the money back? Chris asked how the board was going to pay for Paul. Rachel said that it would be a disallowed cost to pay for an attorney for a matter like this. Commissioner Carper said that potential means maybe, not absolutely.

He then asked Julie how many grants she had brought in at the time. Julie responded with two. Commissioner Carper told her that one of the grants was already in place when she got here, and that Nancy Daugherty had applied for Empowered Employment. Dustin asked who approves the board meeting minutes and Aaron responded the board members do. Dustin then replied that if something was missing, shouldn't that have been addressed before the minutes were approved. Lee said there are not minutes to corroborate the bonus or salary increase so the board should get a lawyer and let them find the answer. Chris asked who was going to pay for the lawyer and if it is allowable.

Commissioner Carper asked Rachel to find out if it is allowable before anyone contacts any lawyer. Julie said that after talking to several other directors the proper term should have been questioned or concern costs because this has to do with the lack of internal controls. Commissioner Carper

said that he agreed but that Julie left out the reasonableness part.

Julie said that reasonableness was not in the final report. Rachel said that the reasonable test was in the final report. Commissioner Carper said that it was not reasonable and when the board asked Dr. Norman to provide documentation, she compared WDBKC to non-profits like Goodwill. Julie responded and said that the reasonable test should be conducted within the Kanawha County jurisdiction and not in Martinsburg or Bluefield or Parkersburg.

Commissioner Carper asked why the contract was back-dated again. Julie responded that Brett Matthews contacted Lucinda and got her signature. Chris asked Julie where the terms in the modified contract came from, and Julie said from the CFR. Chris asked who typed up the modified contract, Julie responded that it was not her.

Commissioner Carper asked why the performance evaluation was done six months after the bonus was given and Julie responded that is when the evaluations are done, and bonuses are given. Chris said according to the merit pay policy then the bonus should have waited until after the evaluation was done, at the end of the program year, not in November. Commissioner Carper said that the board did not ratify the bonus or the performance evaluation. Chris added that according to the bylaws, the full board should have ratified both the bonus and the salary increase during the December meeting, but the meetings do not reflect that. Carl asked if anyone else had any other questions. Dustin asked what the board was going to do now. Aaron responded that the board has to make a decision today and that it would be irresponsible not to make a decision, do we pay for a lawyer, or do we admit fault? Rachel said that paying for a lawyer is not allowed. Aaron said that the next option would be to file a claim with BRIM.

Commissioner Carper asked what the plan is now. Aaron responded that with his blessings he will continue to communicate with WFWV and request additional time so that the board can go through the motions of filing the claim with BRIM.

**Motion-** Aaron moved that WDBKC file a claim with BRIM and seek additional time from WorkForce West Virginia to resolve this matter without execution of their rights against the CLEO. Dustin Vaughan seconded the motion. Chris Settles and Commissioner Carper opposed the motion.

Carl asked if there was any discussion. Michele said that she cannot file the claim on behalf of Region III WorkForce Development Board and that a member will have to file it. Aaron asked if he could amend his motion since the chairman is out of town and this is a time issue, someone will need to sign off on the claim so it can be filed. Commissioner Carper assigned Aaron to sign off on the claim and asked if the board had bonds for employees. Michele said she did not think so but would investigate it.

**Motion-** Aaron made a motion to amend the first motion to allow the secretary of the executive committee to sign the claim being submitted to BRIM. Lee Seconded the motion. Chris Settles and Commissioner Carper opposed the motion.



P.O. Box 3726, Charleston, WV 25337  
426 Leon Sullivan Way, Charleston, WV 25301  
Telephone: 304-344-5760  
TDD: 304-343-4136  
[www.wdbkc.org](http://www.wdbkc.org)

Carl asked if anyone had comments or questions. Commissioner Carper asked if there would be an Executive Director next week? Chris then said that any action taken by the Executive Committee must be ratified by the entire board before it can go into effect. Commissioner Carper asked when the next meeting was scheduled, and Carl said April 18<sup>th</sup>. Aaron said that there should be another meeting before then.

**Motion-**Carl asked for a motion to adjourn the meeting. Lee made the motion; Dustin seconded the motion. All were in favor. Meeting adjourned.

The meeting was adjourned at 11:54 am.

Respectfully Submitted by: Courtney Saunders  
Office Coordinator WDBKC 03/27/2023