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## Workforce Development Board of Kanawha County

### Special Called Board Meeting May 25, 2023

#### Board Minutes

#### **Present:**

Aaron Alexander  
Rachel Bowman  
John Haer  
Carol Howerton  
John Haer  
Carol Howerton  
Brett Matthews  
Ellen Maxwell-Hoffman  
Tim Morris  
Jill Oliver  
Andy Richardson  
Lee Roberts  
Chris Settles  
Dustin Vaughan  
Shane Wilson

#### **Absent:**

Commissioner Carper, CLEO  
Paul Breedlove  
Steve Collins  
Sean Hill  
Todd Jones  
Greg Osbourne  
Chanda Perry  
Victoria Russo  
Travis Tarr  
Derrick Thomas

#### **Staff:**

Tamara Lee  
Chelsea Meadows  
Julie Norman  
Michele Painter  
Courtney Saunders  
Nita Shafer  
Ray Walker

#### **Guests:**

Scott Adkins  
Leslie Koepsel  
Jason Roberts  
Angie Johnson  
Maureen Persons  
David Rogers  
Carrie Sizemore

**Opening-**Board Chairmen, Brett Matthews called the meeting to order at 1:30 pm on May 25, 2023. Brett asked Courtney if she had made roll call and the answer was yes.

**Approval of Minutes from April 18, 2023:** Brett asked if all the members had a chance to review the minutes from the previous meeting.

**Motion:** Lee made a motion to accept the minutes. Aaron seconded the motion. All were in favor. Motion carried.

#### **Old Business**

**WFV's Demand for Reimbursement of Sub-Grant Funds-** Brett reported that WDBKC received a management decision letter from WFV that stated upon submission of a corrective action plan, and all items are completed, the disallowed costs will no longer be demanded for repayment. Brett said that this corrective action plan includes approved policies, staff and board members must be trained on the new established policies and procedures, all WDBKC staff must be trained on Uniform Grant Guidance and WIOA requirements, review and revise cost principles, WDBKC must submit their audit for year ending 6/30/2021 and fiscal staff must complete the Intuit bookkeeping course. All items have to be completed within either 30, 60 or 90 days but the corrective action plan is due to the state in 30 days. Chris said that one of the items in this letter said additional training for the fiscal staff and he was unsure if WDBKC could use the incumbent worker funding to send Michele to UC or BridgeValley for accounting classes. Chris asked Rachel is this was permissible, and Rachel said she would look into it,

especially at the state level and providing technical assistance, but this might be something the state would look at offering to all local boards. Chris asked if any set aside funds were available for this, and Rachel said this could be looked at. Julie asked who is going to host the Uniform Grant Guidance training and Angie Johnson said that either she could, or their chosen designee would. Chris asked Rachel what the bullet point that states reviewing and revising policies and procedures on Cost Principles on what does that mean in plain language. Angie said that what WFWV can do with their contract and their technical assistance, is review WDBKC's policies on Cost Principles in accordance with Uniform Grant Guidance. Julie said that another question she had was about policies in general. A few meetings ago it was established that WDBKC would hire an attorney to review and revise all policies and there was discussion about who would pay for the attorney. Aaron said that he has spoken to Mr. Adkins about outside counsel and the difference is retaining someone versus hiring someone for specific purposes. Tamara said that she recalls the last conversation about the attorney was that WDBKC would utilize Mr. Brunstein to revise the policies and WFWV would pay for his services. Angie said that as far as using an attorney, federal dollars can not be used for litigation, or retainer fees, but they can be used for billable hours under a contract.

Andy Richardson said that he assumes that other Workforce Boards are in compliance and that the state of workforce agency already has this information on file, and Julie said not for exactly what the state is asking from WDBKC. Aaron said that from his understanding from recent conversation that there is not a template of any sort for compensation policy. Aaron said that there are two sets of policies, WIOA policies and then personnel policies, that need to meet WV state code and also the CFRs. Ellen said that the assistance from Angie Johnson and WFWV will be very helpful and all items in the management decision are manageable.

**Motion:** Andy made a motion that WDBKC accepts the recommendation outlined in the May 16<sup>th</sup> letter and direct staff in conjunction with a member or two of the board to develop the plan to respond timely to each of the bullet points. Tim seconded the motion. All were in favor. Motion carried.

**Amended motion:** Chris amended the motion to nominate Aaron as the board liaison until the June meeting and to work with staff to develop the plan according to the management decision letter. Lee seconded the motion. All were in favor. Motion carried.

### **New Business**

#### **Executive Committee Report and the Discussion and Ratification of the Executive Committee Vote on 5/12/2023 Authorizing the Finance Manager to Sign the Engagement Letter with Herman & Cormany:**

Aaron chaired this meeting in absence of Brett Matthews. WDBKC has engaged Herman & Cormany to complete the IRS 990's. The letter of engagement was time sensitive and during the meeting, the executive committee gave Michele Painter the authority to sign this engagement letter. Chris said that Commissioner Carper appointed Michele Painter as the fiscal agent to sign the engagement letter and any other necessary documents required to allow Herman & Cormany to file the IRS 990's.

**Motion:** Andy made a motion that with the clarification in the minutes of the May 12<sup>th</sup> minutes, the articulation and the ratification of the motion be approved. Tim seconded the motion. All were in favor. Motion carried.

**Discussion of the 2021 Single Form Audit Conducted by Herman & Cormany to Include Approval and Any Information Related:**

**Motion:** Ellen made the motion to approve the Financial Statements as prepared and to permit Herman & Cormany to submit the audit. Aaron seconded the motion. All were in favor. Motion Carried.

**Amended motion:** Ellen amended her motion to give the Executive Director, Chairmen, or the vice chair of the executive committee the authority to sign the documents needed for the formal completion of the audit. Chris seconded the motion. All were in favor. Motion carried.

**Discussion Regarding the RFP for the 2022 Single Form Audit and Rating Committee**

**Recommendations:** Chris reported that there was only one proposal received and that was from Brown Edwards. The first year will be \$29,000 and every year after that it will continue to increase. Chris said that since WDBKC is already late on their 2022 audit, and ideally should be working on the 2023 audit right now, the rating committee suggests signing a contract for two years with Brown Edwards, with the option of renewing it for additional years. Chris also said that the price quoted by Brown Edwards is more than what Herman & Cormany has been charging WDBKC, but around the same price other regions pay for their auditing firms.

Julie said that earlier today there was a meeting among the regions and WFWV at the Local Executive Director meeting, the state is proposing to sign an RFP with an auditing firm to do the single form audit for each region. Aaron said that the real concern was that two audits are late and WDBKC would have three different firms in a matter of three years. Andy said that he likes the option of a one-year contract with the flexibility of renewal of 2,3 and 4. Ellen said she is in favor of proceeding with Brown Edwards.

**Motion:** Chris made a motion to enter into an agreement for the 2022 audit with Brown Edwards for one year with the option of renewing for an additional three years pending what the state has to offer for an auditing firm. Andy seconded the motion. All were in favor. Motion carried.

Chris asked if a motion needed to be made to give Brett or Aaron the authority to sign an engagement letter with Brown Edwards. Aaron said that the policies and procedures need to be revised to give the Executive Director the authority to sign documents like this.

**Motion:** Chris made a motion to give Brett, or the vice chair, the authority to execute the engagement letter per the terms of the previous motion. Aaron seconded the motion. All were in favor. Motion carried.

**Discussion regarding WIOA Allocations for PY23 FY24 and all matters related:** Julie reported that WDBKC has taken a 21% decrease which is roughly \$378,000. Aaron said that in his review, each state has gotten an allocation from the Department of Labor. The state then gives each region an allocation based on a formula and data in that region. Aaron said so now WDBKC needs to find a way to continue to operate with less funds. Chris said that one thing that should be looked at is the outside vendors that WDBKC currently contracts with. Andy asked if there was any way to backfill skills. Julie said that WDBKC currently has three contracts with HRDF, One-Stop operations is the first one, and the person who does that is phenomenal at it. The next is Business Services, which WDBKC once did in-house and it was not done well and the third contract is the Youth contract, and Grace Wise could not be replaced. Chris suggested bringing Business Services and One-Stop Operations in-house. Carol asked how much the business service contract was for and Julie responded \$75,000. Rachel said that WFWV and the

business services team is working on a pilot project on employer engagement so there is partnering and coordination at the state level that can help with employer engagement. Rachel said that she would like to see an organizational chart with funding streams with roles and responsibilities attached to each person on it. Ellen said that she would also like to see what pot of money each staff member is paid from and their specific roles and responsibilities. Julie responded that she would send the members each staff members job descriptions and what programs they work.

Andy said that he does not want to lose jobs within the staff, but he also does not want to lose the skillset that has been gained, so there is dual concern. He recommends that Julie comes back at the June meeting with a plan on how to address the deficiency.

Julie said that she has sent an email to WFWV requesting \$200,000 to support one-stop operations to supplement the missing payments from the partners who fail to pay their invoices. Julie said that since requesting the \$200,000, she was made aware of the new PY23 allocation, and has requested an additional \$350,000 to continue business services and to help pay for the audits for a total of \$550,000. Julie said that if WFWV approves the full request three staff members will need to be laid off, if only a portion of the request is approved seven staff members will be laid off. Rachel asked what other funding WDBKC was currently going after, and Julie said that there are currently seven grants being applied for right now.

Tim said that Julie needs to come back with plan A and plan B and Julie said that she needs parameters. Aaron said that he can not give her parameters and Julie said that if the board members have a preference such as keep all in house staff over outside contractors, she said would like to know that. Tim said that quality of services is the number one priority but by taking a large budget cut there will be a cut to the quality of service, but to maintain staff.

Chris said the budget cut was a total of \$377,000 and Julie is asking for \$550,000, why do we still have to lay people off?

Lee asked why people can not pay? Julie responded that the partners had now moved in. The incentive to move people in was that WDBKC would use their rent as a credit towards the portion they were required to pay. Chris said, "so are we subsidizing their rent?" Julie responded no; they are paying the landlord. Chris asked who pays for the common area... we do if they are here. Julie said that it is minimal for the partners to be here for the shared space, it is also for the toilet paper, MACC fees, cleaning supplies. Chris asked who pays for the internet and Julie said that is part of the invoice that goes out every quarter.

Andy asked what type of an agreement they have with WDBKC? Julie responded that every year, each mandated partner is required to sign a MOU and an IFA, which contains how many full time equivalents (FTEs) each partner says they have in the one stop operations. The quarterly invoice is based on the FTEs in the agreement they sign every year.

Julie said that the non-payment is why she has asked the state for guidance. Rachel asked how long the leases were for and Julie said it depends on each partner, some are as short as one year and some are up to five years. Chris said that based on the incentive for moving into the building, based on the FTE's if the shared cost is less than the shared cost for that quarter then the partner does not owe any money. Julie said correct.

**Motion:** Tim made a motion that WDBKC sends a letter to the partners that owe any outstanding invoices within 30 days. Lee seconded the motion. All were in favor. Motion carried.

**Motion:** Tim made a motion that the Executive Director come back at the next meeting with two plans (A and B) for the board to review that will reference the WIOA allocations and budgets for PY23 and FY24. **WITHDRAWN MOTION**

**Discussion:** Rachel asked if the two emails that WFWV has would be on hold until the next meeting after the plans are presented. Aaron said that he believes there should be three plans, one that includes the monies from WFWV.

Julie said that the program year is about to end on June 30th and brand-new MOUs are being developed and will need to be signed. On July 1<sup>st</sup> in the new MOU's, Julie asked why not add the language "pay the landlord for your space and pay WDBKC for shared costs". Dustin asked if the board members could view an MOU before the new year started. Julie told him she would send them out. Chris said that quite a few items on the agenda look to be action items that have no back up documentation. Aaron said that if these are action items with no documentation then the board will be only discussing these items today.

**Motion:** Tim made a motion that the Executive Director came back at the next meeting with three plans, two plans based on the 21% budget cut and plan C based on if WFWV grants the entire request of \$550,000 dollars, and the executive committee needs to be working with the Executive Director step by step in the planning, with minimal effect on staffing with the plans sent out five business days before the next board meeting. Andy seconded the motion. All were in favor. Motion carried.

**Discussion:** Angie Johnson said that the request for \$200,000 was for common identifier costs and one stop shortages. WFWV said that common identifier costs would assist with those when it is time, but WFWV has not finalized the plan. As for the one stop shortages costs, the state must help to negotiate the costs with the counterparts. Angie said that she has been working on this this past week. Roughly \$18,000 is from unsigned MOUs and there is nothing the state can do when there isn't a signed MOU.

**Motion:** Chris made a motion that anything that requires a vote or action from the board, the document needs to be provided five business days before the meeting. Dustin seconded the motion. All were in favor. Motion carried.

Tim asked about the lease buyout from 405 Capitol Street and if the minutes that supported the vote for this were found and the answer was no.

**Discussion of the letter from WFWV regarding the early termination of the Empowered**

**Employment Grant:** Julie said that this letter is informational, and instead of the grant ending in December it now ends in May. Chris asked what the impact was on the organization and Julie said that there is one staff member paid under this grant. Chris asked if this staff can be absorbed into WIOA grants and Julie said not with the budget cuts. Michele said that starting in May, he will begin to allocate his time to WIOA.

**Discussion regarding Communication Preferences & Meeting Frequency with Board:** Julie said that as things are shifting and policies are being developed, she needs to know how often to reach out to the board. Chris said that if something comes across her desk that affects the entire organization dramatically, for instance the new allocations, then the board should be notified immediately. Chris said the early termination of the empowered employment grant should have been something the board should have been notified about. Dustin said that some of the committees he has been a part of, the



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Executive Director would share everything with the Executive Committee and they would then decide what needed to go to the full board. Chris said to make sure the CLEO was also informed of everything the Executive Committee was being informed about.

Julie asked about the secretary and the treasure positions on the executive committee, and what their roles are. Aaron said the chairman of the board should be assisting with developing of agenda each meeting in assistance with the CLEO.

**Discussion regarding disposition of cell phones:** Julie reported that WDBKC is getting rid of all cellphones within the organization. Julie said her cellphone, the device was purchased for her by the company, and she pays the monthly bill for her personal line. Julie said she wanted to buy the device from the board. Chris asked if that was her personal line, Julie said yes. Chris said the board used federal dollars for personal use, this is now an ethics problem. Aaron asked how many cell phones were bought and what were they bought for. Julie said they were bought by the board for business use only. Aaron asked Julie what her phone was used for, and Julie responded personal and business. Chris said this needs to be tabled until the ethics commission is contacted. Julie asked if she needed to pay the entire amount of what was paid for the phone and Chris said that is what may need to happen. Aaron asked what has happened to the other phones and Derek said that the only phones WDBKC is keeping turned on are the program managers, business services, one for the career planners to share and the iPad for the business services for out in the field.

Chris asked when the last time staff were given a presentation on ethics, the answer was never.

**Motion:** Chris made a motion to request the ethics commission come in and give a presentation on ethics laws to the staff, board, Executive Director and partner organizations to maintain ethics. Lee seconded the motion. All were in favor. Motion carried.

**Discussion of WV Workforce Development Board Association:** Julie reported that the document was provided during the last meeting. The seven local boards have proposed to form an association along with an MOU, it doesn't involve any money or staff. Chris said that in recent months there have been some problems between the locals and the state, and he does not believe WDBKC needs to be focused on this. Andy said that having one single voice could be very constructive, but right now, WDBKC and region III need to focus on this board.

**Motion:** Andy made a motion to table the signing of the MOU for the WV Workforce Development Board Association until at least the fall. Tim seconded the motion. All were in favor. Motion carried.

The June meeting will be on the 21<sup>st</sup> at 10:00 am.

**Motion-**Brett asked for a motion to adjourn the meeting. Andy made the motion. Chris seconded the motion. All were in favor. Meeting adjourned at 3:32 pm.

Respectfully Submitted by: Courtney Saunders  
Office Coordinator WDBKC 06/08/2023