



Special Called Bluegrass Workforce Innovation Board Executive Committee Meeting
February 11, 2016
Bluegrass Area Development District
Lexington, KY

Board Members Present	Staff Present
Boggs, David	Colliver, Clinton
Menke, Kim	Gibson, Ashley
Phillips, John	Glasscock, Amy
Puckett, David	Jones, Shawn
	May, Staci
	Turley, Chris
	Guests Present
	Back, Adam
	Dunn, Robert
	Gay, Jon
	Gritton, Orbrey

I. Call to Order

a. Establish Quorum

Chair Menke established that there was a quorum present.

b. Introduction of Board Members and Guests

Chair Menke allowed all members and guests present to introduce themselves.

II. New Business

a. Bluegrass Workforce Organization

Chair Menke stated that this meeting was being held in order to prep for the full board meeting on Wednesday, February 17, 2016. He stated that he was invited to sit in on the Kentucky Workforce Innovation Board's executive committee meeting in order to participate in discussion of Kentucky workforce matters. Chair Menke also made the executive committee aware of the protests of the RFP process in regard to the grant sub recipient, and each executive committee member was provided a copy of the letter from Hal Hiener concerning the RFP process.

b. Preparation for Full BGWIB Meeting

- **Required Board Activity/Schedule**

Each member was provided a flowchart of Workforce Activities. Chair Menke allowed each member to review this flowchart in order to familiarize themselves with these activities and how this process works. Chris Turley, Director of Workforce Services, stated that there may be an extension for the local plan, beyond the set date. Mr. Turley was recently in Washington, D.C. for the WIOA National Convening and received information regarding the extension of the state plan and expects an extension for the local plan.

- **Draft By-Laws (Pages 2-10)**

Chair Menke allowed all executive committee members to look over and review the Draft By-Laws located in the packet. He stated that there are numerous things not yet listed in the By-Laws that the board needs to review and suggest. Chair Menke is hopeful to have an update at the full board meeting on Wednesday, February 17, 2016. David Boggs, board treasurer, raised the question of when the two current board vacancies would be filled. Mr. Turley responded that there have been a few nominations and that the board is just waiting on the co-CLEOs to review and sign off on approved nominations.

- **Current BGWIB Board/Terms/Vacancies (Pages 11-14)**

The executive committee was provided a spreadsheet of each BGWIB member's contact information and their serving term. Chair Menke then discussed the blind draw method used by the LEOs to assign the term length of each BGWIB member and mentioned the two vacancies of the business seats. He encouraged the executive committee to start recruiting for involvement with the BGWIB and its committees.

- **Committee Structure/Membership & Leadership**

Chair Menke pointed out the survey located in the packet. The survey consisted of interests, preferred meeting locations, preferred method of contact, and preferred meeting days. He then opened the floor up for discussion concerning the structure and layout of board committees. John Phillips, board secretary, suggested that the board find a "best practice" and proceed from there. Based on the given survey, Chair Menke started to sketch out a few committees that would be beneficial to the board: Program Development, Finance, Strategic Planning, and Program Implementation (Youth, Individuals with Disabilities, and One-Stop). Adam Back, council for the BGWIB, stated that according to the WIOA law, the board must have a One-Stop committee and

this committee may consist of One-Stop partners that are not seated on the Bluegrass Workforce Innovation Board. David Puckett, board vice chair, then asked if each committee could consist of non-board members. Mr. Back responded by stating the WIOA law “such standing committees may be chaired by a member of the local board, may include other members of the local board, and shall include other individuals appointed by the local board who are not members of the local board and who the local board determines have appropriate experience and expertise.” Chair Menke stated that he would like to encourage board members to recruit individuals who will be fit for each committee.

Before moving to the next agenda item, Mr. Boggs questioned the timeline of when the committees would be set and if it was a part of the board’s local plan. Chair Menke replied that recruiting to fill these proposed committees could take some time in order to have the appropriate individuals on each committee. However, establishing committees and having some plan in place needs to happen quickly.

- **Proposed Meeting Schedules/Logistics (Pages 15-18)**

Chair Menke stated that, at the last full board meeting, there was an expressed interest among most board members to rotate each meeting to a different location in order to see the career centers and the process that takes place in the career centers. With the short amount of time between this executive committee meeting and the full board meeting on Wednesday, February 17, 2016, Chair Menke suggested that the full board meeting be held at the Bluegrass Area Development District. Based on the survey dispersed by Mr. Turley, the common acceptable days between the board members were Tuesdays, Wednesdays, and Thursdays. It was suggested by Chair Menke that, along with rotating meeting locations, the weekdays of meetings should be rotated as well in order to have full attendance and participation of all board members. A draft schedule will be put together for the next full board meeting (Wednesday, February 17, 2016), and meeting locations will be left open for board members to suggest.

Mr. Jon Gay, council to the LEOs and the Bluegrass ADD, stated to make sure that a meeting notice was posted 24 hours in advance to the meeting in accordance with the

bylaws. To conclude this agenda item, it was unanimously decided that an executive committee meeting would be held each month and a full board meeting every other month.

- **Board Training**

Chair Menke suggested that the current board look into being a part of the National Association of Workforce Boards in order to receive more training and knowledge of workforce matters. Mr. Boggs also proposed that once the budget is set in place, there should be money set aside in the budget for board training and development.

- **Draft Partnership Agreement Development (Pages 19-26)**

Mr. Back explained to the executive committee that the partnership agreement is an agreement between the Bluegrass WIB and the Local Elected Officials of the 17 county region. The purpose of this document is to define the operating relationship and to also confirm that these two entities have read, understood, and agreed upon the certain functions, duties, and responsibilities for each. Mr. Back also suggested for the co-CLEOs, a representative of the BGWIB, and both attorneys to meet in order to get the partnership agreement set in place because this is a front burner issue. Mr. Boggs recommended that Kim Menke, the board chair, represent the BGWIB during the partnership agreement meeting.

Motion: Kim Menke to represent the BGWIB during the partnership agreement meeting.

Motion by: David Boggs Second by: David Puckett Motion passed

- **Financial Reporting**

- Budget Report/ Monitoring**

Clinton Colliver, WIOA Financial Officer, gave a presentation to the executive committee, covering the FY16 budget. Mr. Colliver reviewed the three major programs for WIOA: Adult, Dislocated Worker, and Youth, which were located on the handout given to each committee member. He stated that there are other programs available but only on an as-needed basis. These programs are Trade, NEG-GO, and Rapid Response. The financial department does not plan for these funds, but this can change under certain circumstances, such as a company lay off. Program funds for Adult,

Dislocated Worker, and Youth are received on April 1st, July 1st, and October 1st.

As Mr. Colliver stated, per federal regulations the Bluegrass ADD, as the sub grant recipient, is allowed to reimburse up to 10% of administrative costs, including salaries, travel, supplies, legal fees, etc., and the other 90% goes to the program grants. As of last year (FY15), only 7% of administrative costs were spent of the \$4.8 million received. Mr. Colliver then broke down each funding stream for the executive committee for a better understanding of the monies attached to the Adult, Dislocated Worker, and Youth programs. Mr. Colliver then asked Mr. Turley to clarify the Youth program funding. Mr. Turley stated that around April of each year, an RFP for youth services is released in hopes of getting numerous responses. As of right now, there are nine (9) youth contracts in place, covering the majority of the 17 counties. Now that the law has changed, and WIOA is in effect, 75% of youth funds must be spent on out of school youth instead of the previous 30%.

Mr. Colliver proceeded on to state that, depending on the services provided by the WIOA staff located at the Bluegrass ADD building, these services could either be charged to the admin grant or the program grant. Following Mr. Colliver's statements, Mr. Menke raised the question if there was reconciliation of the true program itself versus salaries, etc. and if that matches up against the 7% of admin funds. Mr. Colliver replied that once a grant is received from the state, 90% of funds are set aside in a program grant code. Salaries, benefits, and indirect costs are tracked against program costs, depending on the grant code listed on the time sheet and/or travel, and that is reconciled against the agreement with the state.

Following these statements, Mr. Turley explained that all career center staff will always charge their services provided to the program grant codes and the only staff that is permitted to charge to admin codes are the staff located in the Bluegrass ADD building.

Mr. Colliver continued with his FY16 budget presentation. The WIOA staff is currently operating under a six month budget, passed by the previous board in FY15. He suggested an approval of the staff recommended budget and reminded all members that the budget could be amended at any time.

Mr. Turley gave a quick overview of the financial definitions handout and the draw down policy. He explained the terms and policy to give the executive committee a better understanding. Following Mr. Turley's explanation, Mr. Phillips asked Mr. Colliver to give an example of a pass-thru expense. Mr. Colliver stated that a pass-thru expense is an expense related to the participant. It could be classes at BCTC or any supplies that a participant may need to find employment. Chair Menke then questioned the return on investment in comparison to the money spent on each participant. Mr. Turley responded that the Department of Labor has performance measures that the workforce department has to meet. The Department of Labor doesn't necessarily look at the expenditures for each client; their main focus is if that client gained employment and retained that employment for four quarters after exiting the program.

Legal Bills

Each executive committee member was given a legal bills handout to review. To begin, Mr. Turley updated the executive committee on the transition funds (can request up to \$50,000) and their sole purpose, which is to only be used on activities in relation to the transition from WIA to WIOA. Currently, there is a balance of \$24,401.13 in the transition funds account. Mr. Turley then discussed the outstanding legal bills from Stoll, Keenon, Ogden and Walther, Gay, & Mack. These bills span from November 2015-January 2016. Mr. Turley confirmed that the Stoll, Keenon, Ogden and Walther, Gay, & Mack legal invoices can be paid out of the transition funds account. The total for both invoices combined equals \$13,545.50. Mr. Turley stated that if action is taken, there would be a transition funds balance left of \$10,655.63. He also mentioned that the Local Elected Officials have reviewed the legal fees and have approved them. Therefore, Mr. Turley suggested the approval of these outstanding legal fees to the executive committee. With there being transition funds available to cover these legal fees, the executive committee voted to approve the payment of these legal fees.

Motion: For Stoll, Keenon, Ogden and Walther, Gay, & Mack legal invoices to be paid out of transition funds.

Motion by: David Boggs

Second by: John Phillips

Motion passed

Following this motion, Mr. Boggs stated that he will make a recommendation to approve the FY16 budget at the full board meeting, on February 17, 2016.

Preparation for Next Budget-6 month

Since a budget was not approved, there was no dialogue under this topic.

c. Current Operation Needs

• **Staff-Professional Development**

Chair Menke mentioned that without proper knowledge of the budget, he could not approve sending multiple staff members to the WIOA National Convening; therefore, he approved only Mr. Turley to attend. Mr. Turley pointed out the staff training plan located in the packet, but did not feel comfortable discussing it with the executive committee due to there being an unset budget. Instead, he gave a brief update of the Southeastern Employment and Training Association (SETA) Conference and acknowledged the fact that this is the only conference solely dedicated to workforce professionals. Chair Menke inquired about the number of staff sent to this conference. Mr. Turley responded that, in the past, the WIOA department has sent multiple staff members to this conference, including the director, three managers, a workforce services specialist, a career track coordinator (youth), and a business services specialist. Upon their return, it is required of each staff member to provide a detailed report on the sessions that they attended.

d. Other Business

This agenda item was discussed earlier in the meeting.

III. Adjourn

Chair Menke invited the executive committee to provide any agenda items to present to the full board on February 17, 2016. There was no response from the executive committee, and he requested a motion to adjourn.

Motion: To adjourn.

Motion by: John Phillips

Second by: David Puckett

Motion passed

