



Special Called Bluegrass Workforce Innovation Board Executive Committee Meeting
April 14, 2016
Bluegrass Area Development District
Lexington, KY

Board Members Present	Staff Present
Boggs, David	Colliver, Clinton
Menke, Kim	Jones, Shawn
Puckett, David	Lupson, Erica
	Turley, Chris
	Guests Present
	Atkins, Kevin
	Back, Adam
	Hightower, Andy
	Landry, Janet
	Vaught, Jacqueline

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.

c. Minutes from February 11th (Executive Committee) and February 17th (Full Board) Meetings

- Chair Menke and the rest of the executive committee reviewed the minutes from these previous meetings.

Motion: To approve February 11th executive committee minutes and February 17th full board minutes.

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

II. Board Organization

a. Required Board Activity/Schedule

Chair Menke mentioned that once the by-laws and partnership agreement are in place, the local and regional plans need to be discussed.

b. BGWIB Board/Terms/Vacancies

Chair Menke stated that during the previous meetings, there were two board vacancies. However, one of the vacancies has been filled with Steve Sigg, President and CEO of Software Information Systems here in Lexington, KY; he will serve a one year term. There is still a second vacancy that is in the process of being filled.

c. Proposed Meeting Schedules/Logistics

Chair Menke asked the executive committee if the proposed meeting schedules would suffice for the members. David Boggs, Treasurer, suggested that meetings could be held later in the afternoon, as he has prior engagements. It is then decided by the executive committee that the May 11th meeting will be moved to Thursday, May 12th at 3:30 pm at the Bluegrass ADD.

d. Committee Structure/Membership & Leadership

Chair Menke briefed the executive committee of the previous discussion concerning the committee structure. He appointed a board member to each committee to organize and initiate committee meetings and structure. Mr. Boggs questioned if additional members needed to be affirmed by the current board. Adam Back, board attorney, responded by stating that specific question is contemplated in the by-laws. However, it doesn't seem necessary to have additional members on the strategic planning or the finance committees where outside expertise isn't needed. As Mr. Back stated, it is ultimately the board's decision to approve membership for each committee.

e. Partnership Agreement Meeting

Chair Menke informed the executive committee of the partnership agreement meeting that was held between Mayor Jim Gray, Judge Harold McKinney, Jon Gay, Adam Back, Chris Turley, and himself. He stated that the meeting and conversation about the agreement was very successful. Chair Menke then asked for Mr. Back to review and discuss the partnership agreement. Mr. Back stated that a red line draft against the prior version was given to the executive committee in order to review and to suggest any changes before approval. Mr. Back briefly mentioned section two and three of the by-laws in regard to oversight of the administrative agent and program funds. Mr. Boggs then questioned section three, in reference to the audit costs and administrative fees. Mr. Back

replied by stating that any expenses associated with audits will be under the 10% administrative cap. Mr. Boggs then questioned the competitive bidding process. He suggested to Mr. Back that he clarify section B of the partnership agreement regarding the responsibility of issuing RFPs and oversight. Further into the section, it states that the administrative agent may not apply to serve as the one-stop operator. Mr. Back agreed to alter the language in section B, as it may be a conflict of interest and then continued to review the remaining sections of the partnership agreement. Mr. Back stated that the liability section of the partnership agreement has been significantly changed. He mentioned that obtaining insurance for the protection of the BGWIB members has been contemplated. Following this discussion, Mr. Boggs questioned section four of the partnership agreement in regard to staffing. He asked Mr. Back if the BGWIB had staffing authority concerning the WIOA department. Mr. Back responded by stating that the administrative agent is under the direction of the board, but, ultimately, the administrative agent holds the staffing authority. Mr. Boggs suggested that the board should be somewhat engaged in the hiring/firing of WIOA staff.

Motion: To approve the changes to the draft copy of the Partnership Agreement (4/14/16).

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

f. Draft Partnership Agreement

This section was combined with the Partnership Agreement Meeting section.

g. Draft By-Laws

Following the Partnership Agreement discussion, Mr. Back reviewed the draft by-laws. He expressed that most of edits were just general cleanup. Mr. Back added an attendance policy section to the by-laws. This requires special attention because it is new to the WIB's by-laws. A director may be recommended for removal if he/she is absent from three (3) meetings during a program year period (July 1-June 30). He then allowed all executive committee members to review and opened the floor for suggestions/feedback. Mr. Menke suggested having unexcused/excused absences. Following this suggestion, Mr. Back recommended having these absences approved by the board chair or the executive committee.

Mr. Back also made changes to section two, under Officers. As suggested by John Phillips, Executive Committee Secretary, Mr. Back added language to the by-laws in regard to carry-over of

officers to continue board activity. The Vice-Chair will become the Chair after the Chairperson's completed term. With this new language, Mr. Back thought it to be necessary that the Vice-Chair be a part of the private sector due to the by-laws stating that the Chair must be from the private sector. Mr. Boggs suggested that instead of having one year terms for the executive committee, it should be changed to two year terms in order to decrease the turnover rate. Following this discussion, Mr. Boggs also suggested having the expectations and requirements necessary to enter in to a contract or procure a consultant clearly written. Mr. Back stated that he would make the necessary changes and, hopefully, have the draft ready for the full board meeting on April 19, 2015.

h. Additional Training

Chair Menke mentioned that he has reached out to the National Association of Workforce Boards in regard to schedules and costs for training. He questioned if there are funds available in the budget concerning board training costs which could be used to join this organization.

III. Finance

a. Budget Reporting/Monitoring

Clinton Colliver, WIOA Financial Officer, suggested that, going forward, it would be beneficial for the finance committee and himself to meet to go over the budget prior to any executive committee or full board meetings. He then reported and reviewed the budget from October-February. Mr. Colliver stated that, through October 2015, the budget has been expended by 33% and that this would be a good time for the board to review. The next document Mr. Colliver discussed was the cumulative report. It is a snapshot of every dollar that comes through with a WIOA grant code. He then skipped to the February sheet to see the current YTD budget. Mr. Colliver mentioned that by this time, the benchmark percentage is 66%. He also informed the executive committee that the Adult funds are decreasing rapidly, which is expected because it is the most utilized program. Therefore, the WIOA financial staff may have to transfer funds from the Dislocated Worker to the Adult program, which is allowed under the state law. There was then discussion concerning how the return on investment is measured. Mr. Menke questioned the indicator to ensure that workforce funds are not being wasted. Mr. Turley stated that the Workforce Services Department is already tracking these performance measures for four (4) quarters after a participant exits the program, per Department of Labor regulations. Mr. Turley also stated that in this arena/field of work, measuring return on investment is an

uncommon practice because the Department of Labor does not require this.

Because of prior engagements, Mr. Boggs needed to leave the meeting; therefore, a quorum would no longer be present. Due to this, Mr. Turley asked if the executive committee could review the consulting fees before Mr. Boggs' exit. Mr. Turley explained that the LEOs used Heartland Communications to mediate the RFP process for the sub-grant recipient. He asked the executive committee to review the invoice for \$10,000 and to make a motion to approve this bill if they found it to be without issue. Following Mr. Turley's statement, Mr. Boggs inquired as to whether or not the executive committee had authority to approve this invoice or if it needed to be approved by the full board. Mr. Back responded to this question by affirming that the executive committee had the authority to approve this invoice from Heartland Communications totaling \$10,000.

Motion: To pay the invoice from Heartland Communications as presented.

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

Once the motion was approved, Mr. Boggs stated that after reviewing the legal bills, he was not in a position to recommend approval of payment until more clarification is provided concerning these invoices. However, he is hoping to have some conversation about the legal bills at the next full board meeting on April 19th.

b. Legal Bills

Combined with the Budget Reporting/Monitoring

c. FY17 Budget

Mr. Turley stated that the conversation regarding the FY17 budget was solely informational and suggested the board begin work on that budget very soon.

IV. Current Operation Report

a. SETA Update

Mr. Turley gave a brief update of the SETA Conference and the staff that attended. A detailed write-up by each attending staff person was placed in the packet for the executive committee to review.

b. Contracts

Mr. Turley reviewed the list of current youth contracts and the timeline of the RFP/bidding process. After their assessment, the chosen programs would be under contract for one (1) year, with a two (2) year renewal option. Mr. Turley recommended that the Youth Committee review the performance of the current contractors and the Youth-In-School and the Youth-Out-of School ratios in order to make a determination on what grant agreements need to be renewed as of FY17. Once a determination is made, the Youth Committee would make a recommendation to the full board for approval. Mr. Turley continued to review the listing of the proposals, the number of students recommended for each program, their scores, and the budget for each program.

c. Policies

Mr. Turley stated that a quorum was needed to take action on the Priority of Service Policy. He expressed the importance of having this policy approved as it necessary for the Workforce Services Department's upcoming monitoring, so this item needs to be addressed at the full board meeting on April 19th.

V. New Business

a. Letter to Secretary Heiner

This agenda item was not discussed.

With no quorum being present, there was no motion made to adjourn the meeting. Mr. Menke thanked everyone for attending.