

Genesee/Shiawassee MICHIGAN WORKS!™

**Workforce Development Board
Meeting Minutes
Broome Center
4119 N. Saginaw Street
Flint, MI 48505
Friday, June 27, 2008
8:00 a.m.**

PRESENT: Margaret Andrews, William Churchill, Jr., Marlene Nicol, Jeff Deason, Lewis Driskell, Cheryl Gifford, Longino Gonzales, Robert Hardy, Alan Hartter, Suzanne Howell, Kevin J. Keane, Jimmy King, Norwood Jewell, Renita Mikolajczyk, Lawrence Moon, Clarence Pierce, Vera Perry, Jerry Ragsdale, C. Frederick Robinson, Amy Roddy, Mary Sumpter, Khalil Saab, Cunesha Sanders, Gary Smith, Susan Theakston.

ABSENT: Erik Eastman (excused), Willie Middlebrooks (excused), David Miller (excused)

STAFF PRESENT: Alicia Booker, Sherry Adair-Goble, Helen Brown, Richard Curtis, Emma Noël, Shirley Eichenberg, Sharon Bowen, Eunita Mixon-Wingfield.

OTHERS PRESENT: Attorney Peter Goodstein, Tadd Harburn-Plante & Moran, Katie Thornton- Plante & Moran.

I. CALL TO ORDER:

Jimmy King called the meeting to order at 8:00 a.m.

II. PUBLIC COMMENTS: Quincy Murphy- Congratulated Board Members on their re-appointments. He challenged them to do their best for the unemployed individuals and provide training for the under qualified. He also mentioned his desire to have the new security company hire some of the old guards.

III. WELCOME NEW BOARD MEMBERS - Jimmy King welcomed Susan Theakston, Human Resource Manager from McLaren Medical Center. C. Frederick Robinson, an attorney in the Flint area. Clarence Pierce, CEO of Hamilton Community Health Network.

IV. ACTION ITEMS

- A. **Approval of WDB minutes of May 30, 2008:** A motion was made to accept the minutes as written by Jerry Ragsdale and supported by Vera Perry.

MOTION PASSED

- B. **Presentation of A-133 Single Audit for 2007-Tadd Harburn and Katie Thornton, Plante & Moran –** presented the 2007 audit and explained the audit process.

Katie Thornton explained how federal expenditures are broken out and reviewed. The audit findings were identified and there are corrective action plans in place which has resulted in changes in the financial reporting process. All have resulted in increased internal controls and accuracy.

Tadd Harburn explained that CAI was not a low risk auditee. He went on to explain the implications of that designation on the organization. Amy Roddy asked when the new audit would be available. The next audit will be completed by December 2008.

A motion was made to accept the 2007 Audit by Vera Perry and supported by Lawrence Moon.

MOTION PASSED

Vera Perry thanked Plante & Moran representatives and introduced the Budget and Finance Committee Members: Vera Perry, Chair, Jimmy King, Robert Hardy, Gary Smith and Mary Sumpter. Each county has representation in the committee: Margaret McAvoy from Shiawassee County and George Martini and Tracey Argue from Genesee County.

- C. **Introduction of new Chief Financial Officer-Shirley Eichenberg and the new Director of Fiscal Operations, Emma Noel.**
- D. **Presentation of Proposed 2008-2009 Budget-** Shirley Eichenberg stated that there are two categories of grants, those ending in June and those ending in September. They are categorized as 630 grants and 930 grants. The 630 grant amounts are official in that we have received the Grant Action Notice from the State. The 930 grant amounts are estimates only, but she anticipates that the amounts will remain close to those identified in the budget.

Alicia stated the amount retained by Career Alliance for the administration of its operations had been reduced. The goal is to shift more of the dollars to the service providers so individuals needing assistance can benefit.

Mr. Moon asked about the \$500,000 debt to the state. Alicia responded that we are still negotiating with the state to reduce the disallowed costs as repayment of the debt cannot be with federal funds. We are continuing efforts to reduce the costs to eliminate the possibility of the counties having to assume the debt.

A motion was made by Jeff Deason to accept the proposed budget, seconded by Jerry Ragsdale. Jeff Deason questioned the calculation of the budget's formula.

Motion to accept the amended budget was made by Amy Roddy. It was seconded by Mary Sumpter.

Roll call vote was taken.

25 yes and 0 no.

MOTION PASSED

Mr. King acknowledged Clarence Pierce of Hamilton Health Community Network as well as Amy Roddy of the Durand School Board and Renita Mikolajczyk, President of the Shiawassee Regional Chamber of Commerce, who were attending their first meeting as members of the WDB.

- E. **Presentation of proposed Security Services Finalist**-Vera Perry deferred to Sharon Bowen, VP at CAI. Sharon stated there were 8 responses to the Request for Proposals. The bids were blindly rated by an outside agency and based on the ratings and a presentation to a committee of staff. A recommendation was made to award the contract to Advance Security. Their bid received the highest rating and also has the lowest price. Mr. Moon expressed the need for the new agency to hire locally when filling their vacancies.

A motion was made by Kevin Keane to accept Advance Security Services for the contract period of one year. It was seconded by Khalil Saab.

MOTION PASSED.

- F. **Approval of WDB Resolution** - This resolution had been tabled in April in order to access the state's requirements for a division of the CAI Board and the WDB. The question arose about changing the by-laws and articles. Renita Mikolajczyk asked about the monetary amount involved. CAI staff indicated payment is not made to members of either board. Clarence Pierce asked about splitting the CAI and WDB Boards. Alicia replied that the membership of the boards can change. We are working with corporate counsel and have drafted an amendment to the Articles of

Incorporation. We are also developing new by-laws that would designate the appointment process, the role and the composition of the board. We plan to work with the Governance subcommittee to finalize this process. In the interim, the statement in the Resolution identifying the WDB members as the same members of the CAI Board has been removed.

Jerry Ragsdale and Amy Roddy questioned the length of the Resolution and asked about assurance to prevent any recurrence of past problems. Alicia commented an agreement would be drafted that could include an annual indemnity clause or other assurances to satisfy the boards concerns. Jerry Ragsdale stated that CAI is moving forward to correct the deficiencies.

A motion was made by Lawrence Moon to accept the resolution to retain CAI as administrative entity. It was seconded by Mary Sumpter.

MOTION PASSED

V. UPDATES:

- A. EAG UPDATE:** No update
- B. MDLEG Rehabilitation Services:** Sue Howell stated MRS is moving ahead with expanding their offices in the One Stop building. They will be meeting on July 8 to work with JET in order to serve more clients. The goal is to increase the participation rate.
- C. Department of Human Services:** Mr. Gonzales had no update.

VI. PRESIDENT'S UPDATE: Alicia Booker

- All board appointments are in place; we should be receiving the letter certifying the WDB from the State soon.
- We have brought on two new fiscal staff in order to tighten internal controls and to ensure improvement in our fiscal department.
- We are procuring new accounting software to help with Grant management and to ensure some of the problems identified are corrected.
- Restructuring continues. Beyond resolving the disallowed costs, we have been reducing staff in order to increase efficiency. Our goal is to reach the ideal staff numbers by the end of the year.
- We have released the JET RFP and are awaiting allocation amounts. The targeted populations have a greater need, so we feel that our allocations will be close to last year's amount with a small increase. Also, six counties have been targeted for JET PLUS and Genesee County is one of the six.
- We have received notification we have received an award to expand the health care initiative operated by the Greater Flint Health Coalition in Shiawassee County. We have not received our allocations.

- We currently have staff at the Rapid Response at the City of Flint. There are 123 scheduled layoffs. These meetings provide information to employees to make them aware of services available to them.

VII. **CHAIR'S UPDATE:** Jimmy King thanked everyone for attending. He also thanked George Martini and Margaret McAvoy for their help.

VIII. **ADJOURNMENT:** A motion to adjourn the meeting was made by Robert Hardy and was supported by Vera Perry.

MOTION PASSED

Meeting Adjourned: 9:17 am



Kevin J. Keane, Secretary

Date: 7/25/08

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