



AUDIT & FINANCE COMMITTEE MEETING MINUTES

Workforce Solutions Alamo
100 N. Santa Rosa, Suite 120
San Antonio, TX 78207
November 13, 2020
10:45AM

BOARD MEMBERS: Mary Batch, Dawn Vernon, Yousef Kassim, Mitchell Shane Denn, Leslie Cantu, Juan Solis, III

WSA STAFF MEMBERS: Adrian Lopez, Mark Milton, Louis Tatum, Dr. Andrea Guajardo, Chuck Agwuegbo, Angela Bush, Gabriela Horbach, LaVonnia Horne-Williams, Linda Martinez, Ricardo Ramirez, Michael DeFrees, Melissa Sadler-Nitu, Patrick Mele, Trema Cote, Roberto Corral

PARTNERS: Ruben Davila, Robert Cantu

AGENDA

Agenda items may not be considered in the order they appear.

Citizens may appear before the Committee to speak for or against any item on the Agenda in accordance with procedural rules governing meetings. Speakers are limited to three (3) minutes on each topic (6 minutes if translation is needed) if they register at the beginning of meeting. Questions relating to these rules may be directed to Linda G. Martinez at (210) 581-1093.

To protect the health of the public and limit the potential spread of COVID 19 as directed by Governor of Texas, Bexar County and City of San Antonio, WSA will hold this meeting via videoconferencing. The meeting will be held in compliance with the suspended provisions of the Texas Open Meetings Act. For those members of the public that would like to participate, please call toll-free 1-877-858-6860, which will provide two-way communications through a speaker phone. For additional information, please call Linda G. Martinez, (210) 581-1093.

I. CALL TO ORDER AND QUORUM DETERMINATION

Presenter: Mary Batch, Chair

The meeting was called to order at 10:46 AM.

Workforce Solutions Alamo is an equal opportunity employer/program. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids, services, or special accommodations should contact Linda G. Martinez at (210) 581-1091 at least two (2) working days prior to the meeting, so that appropriate arrangements can be made. Relay Texas: 1-800-735-2989 (TDD) or 1-800-735-2988 (Voice).

II. DECLARATIONS OF CONFLICT OF INTEREST

Presenter: Mary Batch, Chair

There are no conflicts of interest.

III. PUBLIC COMMENT

Presenter: Mary Batch, Chair

There are no public comments.

IV. DISCUSSION AND POSSIBLE ACTION REGARDING PREVIOUS MINUTES
for MAY 29, 2020 AND JULY 24, 2020

**Upon motion by Leslie Cantu and seconded by Yousef Kassim, the Committee
unanimously approved the May 29, 2020 and July 24, 2020 Minutes.**

V. BRIEFING – PROCUREMENT

Presenter: LaVonia Horne-Williams, Director Procurement

a. Procurement Projects & Contracts Summary

- Mrs. Horne-Williams provided the Audit & Finance Committee the following procurements:

- Wireless Services all WFCs
- Call Center Services Agreement
- KGBTexas Act Now Agreement
- SA Trainers- Extension & Renewal
- New Foundation Educational Consultants – Extension & Renewal
- Christine Nguyen – Fiscal Monitoring Contract Extension
- ATEAMS- Amendment
- Cabinet Software Renewal
- Cares Program Procurements

- Mrs. Horne-Williams also provided the Audit & Finance Committee the following pending procurements:

- Adult Services Contract Renewal
- Adult Services - Amendment - Military Spousal Support
- Urban Youth Services Contract Renewal
- Rural Youth Services Contract Renewal
- Fiscal Monitoring RFP
- Childcare Quality RFP
- Data Analyst RFQ
- Local Plan Consultant RFP

- Mrs. Horne-Williams provided facilities update to the Audit & Finance Committee on the following:

- East Houston workforce center location was completed in September.
- We collaborated with COSA to add bike racks for clients.
- Seguin Workforce Center will be completed by late November. The Seguin workforce center was relocated from 1500 E. Court Street to 1411 Court Street.
- As we plan for the re-opening of both workforce centers, we have procured all the necessary PPE and will coordinate installation at both workforce centers.
- The Marbach Workforce Center lease is due to expire May 31, 2021. We plan to begin the market study for this location next month.

b. Floresville Location

- Mrs. Horne-Williams provided an update on the Floresville Workforce Center to the Audit & Finance Committee.

-The lease will expire on 12/31/2020. We are currently searching for a new facility that is visible, accessible to our clients, and in a high traffic area.

- A general analysis report will be provided to Board.

- Mrs. Horne-Williams informed the Audit & Finance Committee that WSA is seeking to purchase a procurement software, called Bonfire.
- Bonfire is a strategic sourcing platform that eliminates the manual work and empowers more impactful bid(s) and RFP decisions, elevating procurement teams from administrators to strategic advisors.
- The cost for Bonfire is \$24,500 (\$15,000 annually for Procurement software and \$9,500 annually for Contract Management add-on software)
- Bonfire best features include:
 - Offers our Procurement department a streamlined
 - Standardized process with the ability to run all bids and RFPs online reporting
 - Analytics to identify bottlenecks throughout the procurement process - - Builds a vendor database
 - Tracks no bids and reasons why a vendor is not bidding.
 - Bonfire pricing includes dedicated customer service manager, unlimited training and support for vendors, evaluators, buyers by phone, chat, and email as well as no charge for implementation and no additional charges.
 - Chair Mary Batch asked, “Will Bonfire have capabilities to create KPIs, (Key Performance Indicator?”
 - Mrs. Horne-Williams, replied, “Yes, it will provide analytical data.”

VI. FISCAL UPDATE DISCUSSION AND POSSIBLE ACTION

Presenter: Louis Tatum, CFO

a. Budget Amendment #1

- Mr. Louis Tatum, explained WSA adopted a budget for the Fiscal Year October 1, 2020 to September 30, 2021, based on estimates of carryover funds and availability of funding in FY21.
- Mr. Juan Solis, III asked, “Where did you get equipment expenses of \$500k?”
- Mr. Louis Tatum and Mr. Adrian Lopez replied, “This is a preliminary number used for hiring a new IT Directory and handling the data breach to improve our systems.”
- Mr. Juan Solis, III, also asked, “Where are the funds allocated from?”
- Mr. Adrian Lopez answered, “We have numerous grants that we receive funding from and when we are investing in systems that affect all areas, we can draw from each of those funding sources.”
- Mr. Tatum also informed the Audit & Finance Committee on the below budget increases:
 - Increasing marketing budget
 - Increasing corporate budget by \$260k
 - Increasing facilities budget by \$750k
 - Increasing contractor budget by \$18.5K
- Mr. Tatum also reviewed the differences of federal/state and city funds and their usability
- Currently, there is \$50k in unincumbered non-federal funds, however, requesting an amendment of \$30k.

Upon motion by Leslie Cantu and seconded by Shane Mitchell Denn, the Committee unanimously approved the Budget Amendment.

b. Financial Reports

- Mr. Louis Tatum provided a breakdown and explanation of the Preliminary financial reports for fiscal year October 1, 2019 thru September 30, 2020. The reports presented are subject to change based on contractor closeouts and

additional financial obligations that occurred before the end of the fiscal year but not received by fiscal. An analysis has been performed outlining Corporate and Facility Budgets, and the Grant Summary Report.

- Mr. Tatum explained how the impact of COVID-19 required WSA to Quickly pivot to serve the needs of employers and job seekers. Through The continued support from the WSA Board of Directors, Texas Workforce Commission, Local Officials, Committee of Six, and Workforce Solution Alamo Executive Leadership we have been able to strategically respond to the needs of both job seekers and employers in the 13-County Alamo Region.
- Mr. Tatum stated TANF funding was not expected to be expended, 78%, has been expended to date.
- Mr. Tatum proceeded to explain that TWC extended quality contract with some additional requirements.
- \$118M preliminary expenditure for this fiscal year and compared to last fiscal year, it's increasing.
- Child Care contract implemented has restriction not to enroll any further essential workers. Due to this, \$5M will come back to Board. However, we are unsure how those funds will be returned.
- Unexpended TANF funds will be redistributed to Board, however, we do not know how that will returned.
- Mr. Lopez clarified that the TANF unexpended funds was because the Health & Human Services Department was not requiring clients to go to workforce centers during the pandemic. As a result, that has affected our ability to serve those clients.
- All workforce boards have experienced similar performance and expenditure issues due to the pandemic.
- Indistinguishable alignment between distributed funding and state goals, however all overall goals are still on target.
- Mr. Solis recommended that an asterisk and annotation be placed under the Bexar & COSA CARES line item to explain the funding expenditures and/or the reason these funds are not expensed.

VII. CEO Report

Presenter: Adrian Lopez, CEO

- Mr. Lopez reported WSA has received an additional \$3.5M disaster relief funds to be utilized in partnering with organizations such as the SA Food Bank and others throughout the 13- county region that are providing basic services. These services include placing folks to provide work experience, training on how to operate a forklift and logistics, etc. (initial funds were \$1.3M)
- Received \$75,000 grant from Texas Mutual to help regional childcare centers become TRS certified.
- The Child Care Committee approved the distribution of funding for the Dream Proposal. These funds will assist child-care centers that had a difficult time during the pandemic to avoid their closures.
- Hiring PEO for WSA. Accepting proposals for a PEO, especially as it relates to fiscal and finance.
- Mrs. Leslie Cantu: If we move forward with PEO, we can remove payroll from the services, correct?
- Adrian Lopez: Yes, we can sub out services and still meet fiscal and TWC requirements.

VIII. Chair Report

Presenter: Mary Batch, Chair

- Mr. Solis recommended to Committee, would like to meet in an A/B session per committee going into the next calendar year. B session will allow for several hours to discuss any business and A session will allow for voting.
- Mr. Solis reminded all Board members seeking re-appointments, paperwork is due EOD.
- Mr. Solis would like to do more Board development to allow the Board to better understand our processes and also solicit input from Board members.

- IX. **Executive Session: Pursuant to Chapter 551 of the Texas Open Meetings Act, the Committee may recess into Executive Session for discussion on any issue for which there is an exception to the Act as set out in section 551.071 et. seq. including, but not limited to, the following:**
- a. **Government Code §551.072 – Discussions Regarding Purchase, Exchange, Lease, or Value of Real Property if Deliberation in an Open Meeting Would Have a Detrimental Effect on the Position of Workforce Solutions Alamo in Negotiations with a Third Party;**
 - b. **Government Code §551.071 - All Matters Where Workforce Solutions Alamo Seeks the Advice of its Attorney as Privileged Communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas:**
 - c. **Pending or Contemplated Litigation; and**
 - d. **Government Code §551.074- Personnel Matters involving Senior Executive Staff and Employees of Workforce Solutions Alamo.**
- X. **Adjournment**
Presenter: Mary Batch, Chair
Upon motion by Leslie Cantu and seconded by Dawn Vernon, the Committee adjourned at 11:45 AM.