



AUDIT & FINANCE COMMITTEE MEETING - MINUTES

Workforce Solutions Alamo
100 N. Santa Rosa St., Suite 120, Boardroom
San Antonio, TX 78207

May 26, 2023

10:30 AM

BOARD MEMBERS: Mary Batch (Chair), Leslie Cantu, Yousef Kassim

WSA STAFF: Adrian Lopez, Adrian Perez, Giovanna Escalante-Vela, Penny Benavidez, Jeremy Taub, Chuck Agwuegbo, Dr. Ricardo Ramirez, Linda Martinez, Esmeralda Ramirez, Vanessa McHaney, Manuel Ugues, Brenda Garcia, Daisey Vega, Angela Bush, Chakib Chahadi, Randy Davidson, Rebecca Espino Balencia

PARTNERS: Diane Rath, Amy Contreras

LEGAL COUNSEL: Frank Burney

GUEST: Janet Pitman with ABIP

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 Martinez at (210) 272-3250.

The Chair of the Committee will be at the Host Location. The Host location is specified above. Meetings will be visible and audible to the public at the Host location, and there will be a visual or audio recording of the meeting. There will be two-way audio and video of the meeting between each Board member sufficient that Board members and public can hear and see them. WSA will comply with all Videoconferencing Guidelines.

For those members of the public that would like to participate and cannot attend in person at the host location, 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) 272- 3250.

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 Martinez at (210) 272-3250 so that appropriate arrangements can be made. Relay Texas: 1-800-735-2969 (TDD) or 711 (Voice).

Please join WebEx meeting from your computer, tablet, or smartphone.

You can also dial in using your phone.

United States (Toll Free): 1-415-655-0002

<https://wsalamo.webex.com/wsalamo/j.php?MTID=m2b2511a7e859eedb6c5e7a6ef1c4e5a8>

Access Code: 2481 428 6806

New to WebEx? Get the app now and be ready when your first meeting starts:

<https://www.webex.com/>

During the Public Comments portion of the meeting (Agenda Item 4), the Public may type their name into the chat box or unmute themselves and state their name. The meeting host will call each member of the public for comments, in the order their names were submitted.

I. CALL TO ORDER

Presenter: Mary Batch, Committee Chair

At 10:30am, Chair Mary Batch called the meeting to order.

II. ROLL CALL AND QUORUM DETERMINATION

Presenter: Mary Batch, Committee Chair

The roll was called, and a quorum was declared present.

III. DECLARATIONS OF CONFLICT OF INTEREST

Presenter: Mary Batch, Committee Chair

None.

IV. PUBLIC COMMENT

Presenter: Mary Batch, Committee Chair

None.

V. DISCUSSION AND POSSIBLE ACTION REGARDING PREVIOUS MEETING MINUTES FOR APRIL 7, 2023

Presenter: Mary Batch, Committee Chair

Upon motion by Leslie Cantu and seconded by Yousef Kassim, the Committee unanimously approved the previous meeting minutes for April 7, 2023.

VI. PROCUREMENT UPDATES (DISCUSSION AND POSSIBLE ACTION)

Presenter: Jeremy Taub, Director of Procurement and Contracts

a. RFP Updates and Contract Summary

— Maintenance “Handyman” Services RFQ is being rebid and has an anticipated award date in June 2023. Grant Writer Services RFP is open and has an anticipated award date in June 2023. Lease Property Search RFI for Walzem is under evaluation with an anticipated award date in June 2023. Lease Property Search RFI for Kerrville is under evaluation with an anticipated award date in Fall 2023.

b. Adult RFP Update

— American Job Centers for Adult Program Services RFP has an anticipated award

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 Martinez at (210) 272-3250 so that appropriate arrangements can be made. Relay Texas: 1-800-735-2969 (TDD) or 711 (Voice).

date in June 2023. It is in the process of being finalized and will be up for approval to the Board on June 23, 2023.

c. Update on Procurement Processes

- The project improvement plan includes TWC Audit Resolution submitted in May 2023, manage contract log, training, policy and procedures in process, consultant recommendations, lease procedures implemented, procurement schedule, SMWVBE, records management, reporting spend analysis, and procure to pay.
- Controls implementation update includes pending audit resolution, actively monitoring contract management with a database that has been developed that tracks all contract actions, implemented facility lease procurements by developing a standard operating procedure for workforce center leases, in process with procurement consultant recommendations by strengthening controls by updating policies and procedures, implementing standard operating procedures, procurement checklists, and other tool kits to improve efficiency and effectiveness, and ongoing roles and responsibilities with the Assistant Director of Procurement and new Procurement and Contract Specialist to facilitate the procure to pay process.

VII. FISCAL UPDATES (DISCUSSION AND POSSIBLE ACTION)

Presenter: Giovanna Escalante-Vela, CFO

a. FY2022 Annual Audit Report

Presenter: Janet Pitman, ABIP

- Unmodified clean audit opinion, no findings or questioned costs, maintained low risk audit status, and increase in net assets by \$76,604.

Upon motion by Leslie Cantu and seconded by Yousef Kassim, the Committee unanimously approved the FY2022 Annual Audit Report.

b. Financial Reports

- This report is as of March 31, 2023. Corporate expenditures are 38.54% expensed.
- Personnel is at 11.05% variance mainly due to vacant positions. The Board is still trying to quickly fill all vacancies. A 5% performance-based incentive will be paid out to staff before the fiscal year ends. Also, staff attended training in April and May and are awaiting those invoices.
- Corporate Facilities is over budget by 1.15% due to an extra cost in storage.
- Equipment is 10.71% under budget mainly due to equipment reserve for vacant positions. There is also a timing difference with software maintenance and licenses.
- General Office is 5.47% under budget due to a function of timing that involves marketing. Also, there was an increased insurance expense due to the settlement of previous legal actions, and non-federal disallowed costs of \$31,264 for Train for Jobs due to participants outside the city limits that were served.
- Professional Services is 18.36% under budget and this variance is primarily a timing difference in legal audit and monitoring.
- Board of Directors is over budget by 3.55% due to the Board retreat in February.
- Facilities is 8.98% under budget.

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 Martinez at (210) 272-3250 so that appropriate arrangements can be made. Relay Texas: 1-800-735-2969 (TDD) or 711 (Voice).

- Reserve is 50% under budget due to the reserve being used the last quarter of the fiscal year.
- Projects is 34.03% under budget. These projects include workforce commission initiatives, 4 career pathway youth events, teacher externship, and SEAL which will be expensed during the summer months.
- Service Delivery is 5.92% under budget.
- March 2023 YTD expenditures include \$62,370,747 for service delivery.
- March 2023 YTD service delivery: COSA Childcare 16% rural and 84% urban, Ready to Work 100% urban, C2GPS Adult 14% rural and 86% urban, and SERCO Youth 51% rural and 49% urban.
- Total number of children in care is Bexar County 10,975 at 80.30%, and rural areas 2,693 at 19.7%.
- TANF grant is 32% spent. This year's allocation is \$2M more than average. The recently approved TWC special initiative is geared towards a STEM summer youth program. The contractor is in the process of procuring the STEM provider.
- WIOA Adult is currently overspent. Board staff is working with the contractor to co-enroll and diversify funding.
- WIOA Dislocated Worker is currently underspent. The COVID program ended on March 31, 2023, and customers will be enrolled in dislocated worker or other applicable programs they may qualify for.
- SNAP is currently overspent. The contractor conducted 100% of case load review. Board staff is working with the contractor to monitor expenditures.
- Child Care CCDF: The Board focused on FY22 funding that ended on December 31, 2023. The Board is currently exceeding the target number, which will increase expenditures.
- Child Care Quality: The Board is currently working on quality initiatives that will continue to increase expenditures by issuing program supplies, incentives, and bonuses to childcare providers. This grant will help childcare providers obtain the Texas Rising Star certification.
- Child Care CSL: End date was extended from March 31, 2023, to December 31, 2023. Board staff is monitoring expenditures.
- Workforce Commission Initiatives: A significant portion of the under-expenditure is the Short-Term Training for Parents in Child Care Services Program initiative. Board staff is working with TWC and the contractor on this initiative.
- RESEA is currently overspent. Board staff is working with the contractor and will monitor expenditures.
- SEAL: Enrollment is currently in process. As of May 18, 2023, 65 participants recently completed Workforce Readiness Training and await worksite placement.
- San Antonio Area Foundation – Workforce Academy: This grant is used exclusively for the Workforce Ambassador Program to advance equity and economic mobility through workforce development services.
- San Antonio Area Foundation – Capacity Building: This grant is to be used for

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 Martinez at (210) 272-3250 so that appropriate arrangements can be made. Relay Texas: 1-800-735-2969 (TDD) or 711 (Voice).

Capacity Building focusing on: Learning Staff Performance – tools and resources, training, and coaching, Managing Technology – training, technical assistance, tools, and resources, and Strategic Planning.

- Work-based Learning Pilot Program: This is a program where Toyotetsu offers specialized training in manufacturing to help local residents gain access and knowledge, leading to high paying job opportunities. There is a list of applicants that are in processing.
 - Ready to Work: Enrollment and activities increased at a higher rate in April and May. As of May 23, 2023, there have been 2,322 applicants interviewed, 1,195 enrolled in approved training, 139 successfully completed training, 37 placed in jobs, and \$2,065,000 in paid training.
 - Diane Rath wanted to make the Committee aware of the severe concern of the area judges that the budget is not being followed. The approved budget shows the allocations to be by county which is required by the Interlocal Agreement and the Partnership Agreement. Some counties are shown to be overspent and others are severely underspent. CIO Adrian Perez stated that they are integrating how the budget is being monitored county by county and fund by fund. There are standing meetings with the Partners to look at those variances and to come to an agreement on how this will be done going forward.
- c. Update on TWC Monitoring Report
- This topic was covered in item VI. Procurement Updates c. Update on Procurement Processes.

VIII. CEO REPORT

Presenter: Adrian Lopez, CEO

- There may be an additional Audit & Finance Committee meeting before the Board of Directors meeting on June 23, 2023, to address some budget amendments that were not able to be presented at this meeting, possibly on June 16, 2023.
- a. Applications for Funding
- b. JET Grant
- The awardees were San Antonio ISD, North East ISD, Southside ISD, and Alamo Colleges – Northeast Lakeview College.

IX. CHAIR REPORT

Presenter: Mary Batch, Committee Chair

X. EXECUTIVE SESSION:

Pursuant to Chapter 551 of the Texas Open Meetings Act, the Committee may move 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;

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 Martinez at (210) 272-3250 so that appropriate arrangements can be made. Relay Texas: 1-800-735-2969 (TDD) or 711 (Voice).

- 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;
 - d. Government Code §551.074 – Personnel Matters Involving Senior Executive Staff and Employees of Workforce Solutions Alamo; and
 - e. Government Code §551.089 – Discussions Regarding Security Devices or Audits.
- The Committee went into Executive Session at 10:34am and returned to Open Session at 11:04am. No action was taken.**

XI. ADJOURNMENT

Presenter: Mary Batch, Committee Chair

Upon motion by Yousef Kassim and seconded by Leslie Cantu, Chair Mary Batch adjourned the meeting at 11:47am.

CERTIFIED AGENDA OF CLOSED MEETING

Workforce Solutions Audit & Finance Committee Meeting

I, MARY BATCH, THE PRESIDING OFFICER OF THE WORKFORCE SOLUTIONS ALAMO AUDIT & FINANCE COMMITTEE, CERTIFY THAT THIS DOCUMENT ACCURATELY REFLECTS ALL SUBJECTS CONSIDERED IN AN EXECUTIVE SESSION OF THE COMMITTEE CONDUCTED ON MAY 26, 2023 AT AM/PM.

1. The Executive Session began with the following announcement by the presiding officer: **"The Workforce Solutions Alamo _ Audit & Finance Committee Meeting is now in Executive Session on MAY 26, 2023 at 10:34 (AM/PM) pursuant to exceptions under Government Code 551."**

2. SUBJECT MATTER OF EACH DELIBERATION:
 - 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.**
 - e. **Government Code §551.089 – Discussions Regarding Security Devices or Audits.**

3. No further action was taken.

4. The Executive Session ended with the following announcement by the presiding officer: **"This Executive Session ended on MAY 26, 2023 at 11:04 (AM/PM)"**



MARY BATCH, Committee Chair