



AUDIT & FINANCE COMMITTEE MEETING - MINUTES

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

June 16, 2023

1:30 PM

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

WSA STAFF: Adrian Lopez, Adrian Perez, Katherine Pipoly, Giovanna Escalante-Vela, Penny Benavidez, Linda Martinez, Manuel Ugues, Gabriella Horbach, Roberto Corral, Brenda Garcia, Sylvia Perez, Angela Bush, Ramsey Olivarez, Randy Davidson, Belinda Gomez, Aaron Bieniek

LEGAL COUNSEL: None.

GUEST: None.

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.

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

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).

<https://wsalamo.webex.com/wsalamo/j.php?MTID=m6fe09f7f2b8835c48517b33173e2248a>

Access Code: 2498 239 3916

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 1:30pm, 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 MAY 26, 2023

Presenter: Mary Batch, Committee Chair

Upon motion by Leslie Cantu and seconded by Yousef Kassim, the Committee unanimously approved the meeting minutes for May 26, 2023.

VI. FISCAL UPDATES (DISCUSSION AND POSSIBLE ACTION)

Presenter: Giovanna Escalante-Vela, CFO

a. Budget Amendment #2

Presented by: Angela Bush, Collective Strategies

— Personnel decrease of \$550,000 due to vacant positions that have not been filled.

— Facility increase of \$25,000 to account for common area maintenance resulting from increased shared facility costs at the corporate office.

— Equipment related increase of \$27,500 to replace 10 staff computers over 5 years old. A line-item adjustment of \$35,000 between software licenses and software maintenance and support with a net effect of zero.

— General office decrease of \$45,000 due to decrease in advertising related to employee recruitment of \$25,000 and decrease in office supplies due to hybrid working environment of \$20,000.

— Realign \$8,000 from Board member meetings to Board member training and

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).

development for expenses related to the Board retreat.

- Facilities decrease of \$375,000 due to the Mobile Workforce Unit delayed delivery. As of September 30, 2023, the Mobile Workforce Unit is expected to be approximately 20% complete. Also, other line-item facility related shifts as costs at the Workforce Centers are expected to increase.
- Child Care Reserve decrease of \$3,263,055 as a result in a direct and childcare match reserve of \$10,245,869.02. Childcare match is typically utilized in the first/last quarter of the fiscal year due to overlapping grant periods during the Board fiscal year.
- Service delivery significant items: Dislocated Worker designation for adults of \$500,000 does not impact the overall budget, childcare increase of \$4,164,041 and childcare match utilization of \$5,085,470, childcare service industry recovery decrease of funds not utilized of \$1,575,443, and Ready to Work funding realigned from operations to service delivery of \$405,572.
- The total budget amendment for service delivery is \$6,720,428.16.
- CEO Adrian Lopez wanted to alert the Committee about ongoing discussions with the Committee of Six Partner Staff. They are requesting a breakdown of the budget based on allocation by county by program. They are asking to track the expenditures and the metrics associated with that. WSA is looking into the consequences associated with the direction that one party of the partners has requested to track this. There are some regulations that might possibly prevent doing this given what is outlined in the regulatory compliance for funding such as WIOA which outlines that you cannot prioritize one community over another and have to serve where the need presents itself. WSA is committed to being responsive on what the root issue is, which is service delivery. Services that WSA provides include a resume writing workshop, computer labs, and referrals for utility assistance and clothing assistance, and these services will not show up on budget expenditures. Other assistance that will not show up in the budget include the partners that are located in the centers such as vocational rehab, Texas veterans commission, and adult education and literacy services. These services are required by the Department of Labor in a One Stop Center.
- Angela Bush added that there are TWC staff located in the center that provide additional resources such as computers in the resource room and special computers for those with disabilities. The money for these items is sent to WSA and is not allocated by county. Additionally, there are discussions about the allocation report, but this is outdated data that is about a year old. The data from the allocation report is not the end all be all and there are several different factors that should be taken into consideration.

Upon motion by Leslie Cantu and seconded by Yousef Kassim, the Committee unanimously approved Budget Amendment #2.

b. April Financial Reports

- The straight-line target for the budget to actual variance is 58.33%.
- Personnel is 13.37% under budget and the Board is working to fill all vacant positions timely. The FY23 budget includes a 5% performance-based incentive which is yet to be paid. Staff training is yet to be paid for and is a function of

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).

- timing because staff attended training in April and May.
- Facilities are over budget by 4.13% due to the reconciliation of common area maintenance for the Board office location.
 - Equipment is 7.39% under budget due to a timing difference in the software maintenance and licenses.
 - General office is 15.88% under budget due to a function of timing. Insurance includes a resolution of previous employee matters. Non-federal COSA disallowed costs of \$31,264 for Train for Jobs due to participants outside the city limits that were served. A decrease in office supplies due to a paperless environment and a hybrid working schedule. Staff is currently processing incoming marketing invoices and the costs are expected to be fully expended.
 - Professional services is 15.73% under budget. There was an increase in legal services for unexpected consultations on employee matters. Processing approximately \$90,000 in invoices from the external monitor for monitoring services. There is a timing difference in audit and other professional services, which includes temporary staffing services.
 - Board of Directors is 21.21% over budget due to the Board retreat that occurred in February.
 - Special projects are a function of timing. Workforce Commission Initiatives – WSA has 4 Career Pathway Youth Events scheduled during the summer, the first of which occurred on May 26, 2023, Teacher Externship – Activities occur during the summer months, Summer Earn & Learn – Workforce Readiness Training in progress with activities occurring during the summer months.
 - The number of children in care is 79.63% in the urban area and 20.37% in the rural areas.
 - TANF – Expenditures are currently at 38%. This year’s allocation is \$2M more than the 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 – Currently overspent. Board staff is working with the contractor to co-enroll and diversify funding.
 - WIOA Dislocated Worker – Expenditures are currently at 42%. As the National Dislocated Worker – COVID and Winter Storm programs ended on March 31, 2023, customers will be enrolled in Dislocated Worker or other applicable programs they may qualify for.
 - SNAP – Expenditures are currently at 69%. The contractor conducted a 100% caseload review in the first quarter. Board staff are working with the contractor to monitor expenditures.
 - Child Care CCDF – The Board focused on FY22 funding that ended on December 31, 2022. 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.

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).

- Child Care CSL – The end date was extended to December 31, 2023. The Board has \$488,774 obligated.
- Workforce Commission Initiatives – This grant included funding of \$109,820 for a short-term training for parents in the Child Care Services program that was not utilized. The Board is working with TWC for alternative strategies.
- RESEA – Expenditures are currently at 69%. The contractor’s activity was higher in the first quarter. Board staff is working with the contractor to monitor expenditures.
- Middle Skills Employment Supplies Pilot Program – In March 2023, TWC awarded the Board this program designed to support Texans preparing to join the workforce by helping clients to purchase specific items required by the employer as a condition of employment.
- SEAL – Enrollment is currently in process. As of June 12, 2023, 135 participants recently completed Workforce Readiness Training. 129 participants started this week.
- Teacher Externship – As of June 12, 2023, 190 teachers have applied, of which 114 have completed enrollment.
- 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 focuses on learning, managing, and 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 being processed.
- Ready to Work – Enrollment and activities increased at a higher rate in April and May. As of June 1, 2023, 2,482 applicants have been interviewed, 1,325 are enrolled in approved training, 236 have successfully completed training, 55 have been placed in jobs, and \$2,399,973 has been paid in training.

VII. CEO REPORT

Presenter: Adrian Lopez, CEO

None.

VIII. CHAIR REPORT

Presenter: Mary Batch, Committee Chair

None.

IX. 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

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).

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;
- 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.

None.

X. ADJOURNMENT

Presenter: Mary Batch, Committee Chair

Upon motion by Yousef Kassim and seconded by Leslie Cantu, Chair Mary Batch adjourned the meeting at 2:14pm.

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).