

Please be reminded pursuant to Section 3 of Article XIII of the Bylaws, no member of the Board shall cast a vote on any matter on which he or she has a conflict of interest as defined by federal or state law. Upon discovery of an actual or potential conflict of interest, the Board Member shall promptly disclose the actual or potential conflict of interest, promptly file a written statement of disqualification, shall withdraw from any further participation in the transaction involved, and shall abstain from voting on the matter. In the event of such disclosure or abstention, Article XII Section 3 shall govern the voting requirements on such matter.

Audit Finance Committee Meeting

April 23, 2020 – 9.00 a.m.

Location: Teleconference

Dial in: 1.800.750.4065 **Participant Code:** 7701773#

Committee Members

Mark Barry, Mark Earl, Ken Minter, Joelle Neri, Lex Smith

Call to orderMark Barry, Chair

Public Comments

Any person wishing to speak before the Audit Finance Committee must complete the Public Comment Card prior to the start of the meeting. All comments will be limited to three minutes.

Action Items:

1. Approval of Minutes from February 18, 2020 Meeting (Mark Barry)Pages 1-4
2. Approval of Planning Budget FY 2020-2021 (Theresa Miner)Pages 5-10
3. Extension of Audit Terms (Theresa Miner)Page 11

Information Items

1. Statement of Revenues and Expenditures (Theresa Miner).....Pages 12-13

Committee Chair Comments

CEO Comments

Adjournment



ACTION ITEM 1
Approval of Minutes

Draft minutes of the February 18, 2020 Audit Finance Committee Meeting are presented for review. Any modifications should be requested prior to approval.

DRAFT
Audit Finance Committee Meeting Minutes
February 18, 2020 – 10.30 a.m.

Committee Members

Present: Mark Earl, Joelle Neri, Lex Smith

Absent: Mark Barry, Ken Minter

Quorum Present: Yes

Others Present:

PHWB Staff: Heather Harter, Theresa Miner, Jerome Salatino

Proceedings:

Meeting called to order at 10.31 a.m. by Joelle Neri

Joelle Neri stepped in for Mark Barry in his absence.

Welcome and call to order..... Joelle Neri

Public Comments

No public comments were received.

Action Item 1 – Approval of Minutes from November 7, 2019 Meeting

Joelle Neri asked the committee members to review the minutes from November 7, 2019 meeting for any corrections or comments. Hearing none, a motion was made to accept the minutes of the meeting.

MOTION was made by Lex Smith.

MOTION was seconded by Mark Earl to approve the minutes. Motion carried unanimously.

Information Item 1 – Statement of Revenues and Expenditures

Theresa Miner provided the committee with an updated Statement of Revenues and Expenditures for period July 1, 2019 through December 31, 2019.

Board Member Comments

No Board Member comments were made.



CEO Comments

Jerome Salatino mentioned the upcoming release of the RFP for IT Services. He suggested that the committee members may be called upon to assist with the review of responses.

Jerome also updated the committee on the status of the New Port Richey office lease and potential modifications.

With no further business to discuss, the meeting adjourned.

ACTION ITEM 2
Approval of Planning Budget FY 2020-2021

BACKGROUND (or INFORMATION)

PHWB is required to submit an annual budget to our local Board, the Pasco County Board of County Commissioners, the Hernando County Board of County Commissioners for approval, and once approved submit the budget to CareerSource Florida and the Department of Economic Opportunity.

JUSTIFICATION/REASON

This budget is based on the preliminary information provided to us at this time, and to meet the deadlines we are working with, it is being presented to the Audit Finance Committee and the Executive Committee for approval.

RECOMMENDATION

Staff recommends that we approve the budget for the program year 7/1/20-6/30/21.

COVID-19 Update

Attached, please find the usual summary concerning our budget for the upcoming program year. At this time we have budgeted for any increase in funding, however we do anticipate changes, and will revise the budget accordingly, if changes occur.

We are diligently making all necessary adjustments to ensure the service to our customers, both employers and employees.

OPERATIONS

As a precautionary measure to protect staff from COVID-19, CSPH closed its doors to the public on March 20, 2020. Beginning March 23, all staff were working remotely.

Call volume increased **57%** from week 1 to week 2 with a slight decrease in week 3 (**15%**).

At the end of week two, DEO began providing paper Re-employment Assistance applications as the CONNECT website had been kicking customers out and leaving them very frustrated. Staff began distributing them on Monday, April 6, 2020. These applications were provided at the 3 career centers along with a postage paid envelope to mail it in to DEO. Staff also provided applications via email and partner agencies agreed to assist their customers that might need an application. Goodwill Industries offered to allow CSPH to put applications at three of their drive through drop off locations. CSPH staff provided 300 paper applications. During week 1 staff provided approximately **1021** applications to customers.

Assistance with Reemployment Application Issues. Issues with reemployment claims escalated from week 1 with **33** issues to week 2 with **875** issues. Week 3 had **752** issues (a **14%** decrease after DEO added new servers over the weekend).

Staff continue to work different schedules to accommodate the needs of our customers and carry a larger workload.

BUSINESS SERVICES

The CSPH Business Services Team continues its outreach to employers in the region through emails, phone calls and electronic media. The Business Services Team provides information about SBA grants and training dollars to assist employers with remaining competitive in the global and national market.

PASCO-HERNANDO WORKFORCE BOARD

PLANNING BUDGET FY 2020-2021

BACKGROUND

Due to the Corona Virus, we are unsure when CareerSource Florida will hold its budget meeting. However, DEO sent out preliminary figures, and we are using those preliminary figures in preparing our Fiscal Year 2020-21 budget. I expect the allocations to be close to this budget. The Pasco and Hernando Boards of County Commissioners are the “chief elected officials” for Local Workforce Development Area 16 and are responsible for budget approval along with the PHWB.

The Department of Economic Opportunity (DEO) has provided amounts that are expected to be allocated to the regions for Fiscal Year 2021 in the major funding streams. PHWB staff has included estimates in other funding streams based upon current information or budget requests to DEO. Carry forward funds are estimated based on current information. This program year we anticipate another large carryover of WIOA funds which will help in serving the hardest to serve clients. The budget will be revised after final carry forward funds are determined in July and if there are significant changes they will be presented at the next board meeting following 7/21/20.

The planning budget is presented in order to have an approved budget from which to operate beginning July 1, 2020. The attached planning budget details the amounts of revenue and planned expenditures from each funding source.

INFORMATION

Revenue Budget:

The total anticipated revenue for Fiscal Year 2020-2021 is \$10,949,368, which includes \$1,906,610 in carryover dollars and \$45,000 in Ticket to work and Tobacco free Florida estimated dollars, and an anticipated carryover of \$128,783 in our Back to Work grant, received from Pasco County, Pennies for Pasco dollars, as well as the Non-Custodial Parent of \$1,416,000.

The Revenue Comparison provides a comparison of revenues since 2012. It also gives detail as to the types of funds included, for example, 7,278,041 comes from recurring sources such as WIOA Adult, Dislocated Worker and Youth funds, Trade Adjustment, Wagner Peyser, TANF, SNAP, RESEA, Vets, which are issued by formula each year. Other funds are one-time funding such as the Non-Custodial Parent and the Back to Work grant, even though we hope to continue the relationships and receive these funds in the future.

The PHWB leases space to various partners in the One Stop Centers and expects to generate \$25,000 in program income which will be used to offset some of the cost of the one stop leases.

Since the fiscal year beginning June 1, 2012, our overall revenue this year is expected to increase by \$445,557. This is due mainly to receiving the NCPEP funding these past three years, as well as the carryover. However, our recurring revenue has decreased by \$1,043,228, which reflects a decrease from last year of 163,298.

Planned Expenditures

The three major categories of the expenditure budget are Board and One-Stop Operating Costs,

Direct Program Costs and Contracts.

The PHWB operates three CareerSource Centers in New Port Richey, Dade City and Brooksville. We also operate a Mobile One Stop, which visits various locations around the region to take services to those who may not be able to access a CareerSource Center.

The major expenditure of the Board is Payroll and Benefits. Total budgeted costs for payroll and benefits this year is \$4,813,367.

Staff record their time as their duties dictate. In some cases, they may be included partially in one functional area and partially in a Direct Program-funded position.

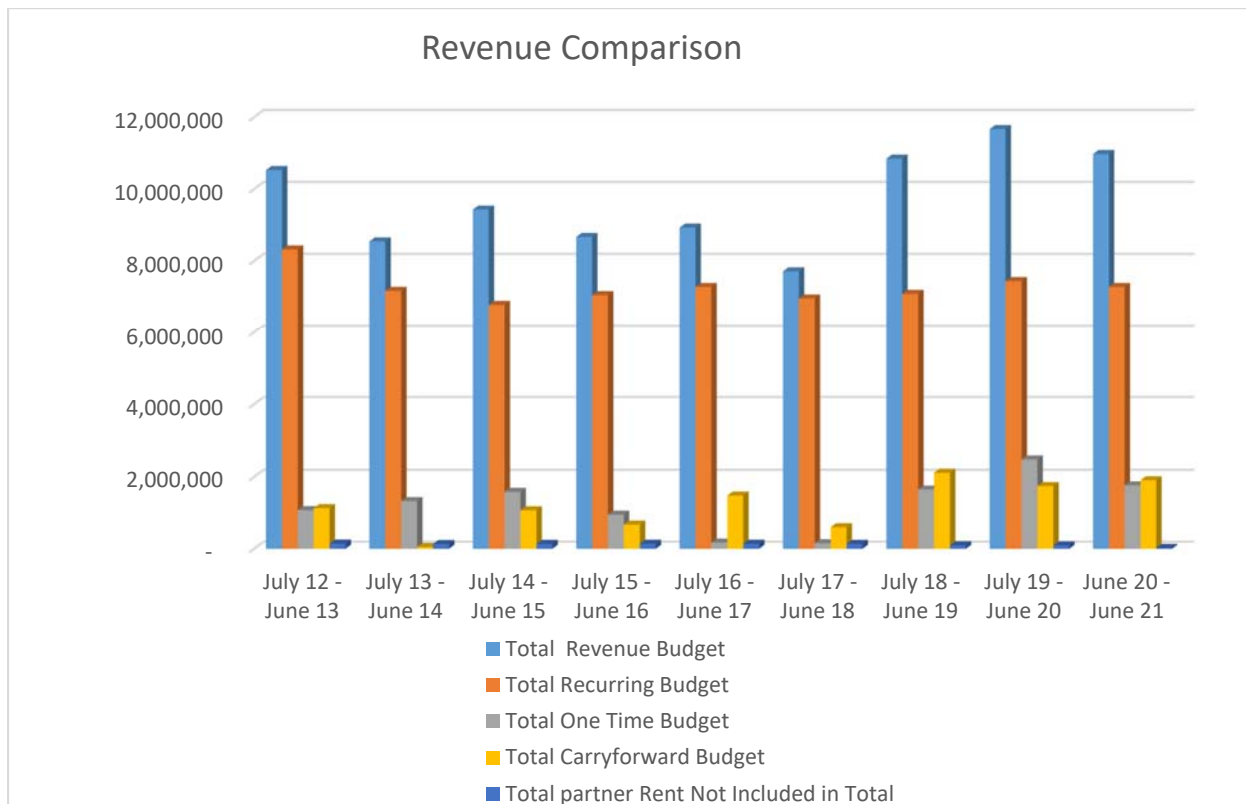
We also have Department of Economic Opportunity employees who work in the CareerSource Centers and are under the functional supervision of the Board. They are funded through VETS, Wagner Peyser, and Trade Adjustment Act

The Board my contract WIOA Youth Services to Eckerd Youth Alternatives. This program will focus on engaging and retaining out-of-school youth, as well as work experience and career pathways training. We anticipate having \$994,000 available for Eckerd Youth's Contract.

The Board also proposes to contract with ARC of the Nature Coast for \$15,000 to assist in the stabilization of individuals with disabilities.

This year the budget for direct training and client support for Adults and Dislocated workers is budgeted at \$1,340,000.

Welfare Transition programs is anticipated to total \$2,113,252, which includes staff (included above). SNAP, RESEA, RE (UC), Wagner Peyser are all expected to be a level funding.



Pasco Hernando Workforce Board
Preliminary Budget
Program Year 7/1/2020 - 6/30/2021

	TOTAL	WIOA - AD	WIOA - DW	WIOA - Youth	Apprentichsip	TAA/TAC/TAT	SNAP	WTP	RESEA	LVER	DVOP	WP	9-30-20 end date				
													Back to Work	Corporate	NCPEP		
Funding:																	
Proposed Budget	0																
Preliminary Allocations	8,844,041	1,237,345	1,056,200	1,144,126	150,000	126,386	208,830	2,113,352	364,000	67,726	111,894	848,182					1,416,000
Actual Allocations (Non Recurring)	0																
Anticipated Carryover	1,906,610		1,000,000	500,000	35,000	13,500	69,610		88,500			200,000					
Ticket to Work and Tobacco Free	40,000															40,000	
Supplemental WIOA	0																
Incentives	29,934	6,124	7,507	6,124								10,178					
Back to Work - Pasco County	128,783													128,783			
Total Funding	10,949,368	1,243,469	2,063,707	1,650,250	185,000	139,886	278,440	2,113,352	452,500	67,726	111,894	1,058,360	128,783	40,000			1,416,000
Less DEO Staff Salaries	0																
Total Available Funding	10,949,368	1,243,469	2,063,707	1,650,250	185,000	139,886	278,440	2,113,352	452,500	67,726	111,894	1,058,360	128,783	40,000			1,416,000
Budgeted Expenditures:	0																
Payroll & Benefits - Business Services	656,470	122,782	135,740	50,110			24,273	247,926	58,277							17,362	
Payroll & Benefits - Program Services	1,521,668	172,032	219,502	114,424	6,420	11,890	21,807	636,528	73,296	6,616	12,558	204,449			31,195	2,184	8,767
One Stop Allocated Costs	1,062,795	102,719	103,250	42,823	2,808	5,201	10,398	142,012	41,375	16,332	32,625	545,979			13,646	955	2,672
Program Operations - Allocated	26,300	4,574	4,215	1,556	110	206	1,884	5,807	1,810	1,205	1,799	2,377			539	40	178
Business Services Allocated	40,500	9,088	8,375	3,091			3,744	11,536	3,595						1,071		
Board & One-Stop Pooled Operating Costs	3,307,733	411,195	471,082	212,004	9,338	17,297	62,106	1,043,809	178,353	24,153	46,982	752,805	63,813	3,179			11,617
DIRECT CUSTOMER TRAINING																	
Eckerd Youth Alternatives Program	994,000			994,000													
ITAs	840,454	250,000	350,000		75,454	115,000		50,000									
ARC	15,000	15,000															
EWT	500,000	250,000	250,000														
OJT	175,000	100,000	75,000														
Gulf Coast Jewish	1,372,985																1,372,985
Direct Participant Costs- Support Svcs)	200,000							200,000									
Total Direct Customer Training Costs	4,097,439	615,000	675,000	994,000	75,454	115,000	0	250,000	0	0	0	0	0	0	0	0	1,372,985
Board Direct Costs																	
Direct Payroll & Benefits	1,883,597	409,193	377,075	139,201	14,402		167,412	519,161	163,350	9,740	9,553			45,231	7,591		21,688
Direct Operating Costs - Total operating cost minus rent from WP	123,886	13,936	13,500	13,550	10,000			19,100	3,000	150	1,150	46,000					3,500
	0																
Total Board Direct Costs	2,007,483	423,129	390,575	152,751	24,402	0	167,412	538,261	166,350	9,890	10,703	46,000	45,231	7,591			25,188
Indirect Costs (S&B)	962,730	148,559	149,332	61,936	4,062	7,522	43,772	281,282	59,842	31,249	47,185	100,660	19,737	1,382			6,210
Total Indirect Costs	962,730	148,559	149,332	61,936	4,062	7,522	43,772	281,282	59,842	31,249	47,185	100,660	19,737	1,382			6,210
Total Planned Expenditures	10,375,385	1,597,883	1,685,989	1,420,691	113,256	139,819	273,290	2,113,352	404,545	65,292	104,870	899,465	128,781	12,152			1,416,000
Unobligated Funding	573,983	(354,414)	377,718	229,559	71,744	67	5,150	0	47,955	2,434	7,024	158,895	2	27,848			0

PASCO-HERNANDO WORKFORCE BOARD (PHWB)

Revenue Budget Comparison

July 2012 - July 2020

	Total Revenue Budget	Total Recurring Budget	Total One Time Budget	Total Carryforward Budget	Total partner Rent Not Included in Total
July 12 - June 13	10,528,811	8,321,269	1,074,363	1,133,179	144,287
July 13 - June 14	8,544,775	7,168,226	1,326,549	50,000	135,201
July 14 - June 15	9,429,732	6,776,316	1,584,083	1,069,333	137,623
July 15 - June 16	8,669,596	7,049,086	948,454	672,056	142,416
July 16 - June 17	8,928,200	7,276,185	171,450	1,480,565	142,282
July 17 - June 18	7,712,074	6,958,114	153,960	600,000	137,937
July 18 - June 19	10,846,365	7,084,545	1,647,835	2,113,985	96,724
July 19 - June 20	11,668,990	7,441,339	2,484,873	1,742,778	94,594
July 20 - June 21	10,974,368	7,278,041	1,635,934	2,035,393	25,000

NOTES:

Recurring Budget consists of formula funds allocated annually to each of the Regional Workforce Boards. These are federal funds passed through the State of Florida. Past years information is based on allocation received at time of budgeting. These funds include WIOA, TAA, Wagner Peyser, Welfare Transition, SNAP, RESEA, VETS. IN the past, RESEA, TAA were not considered to be recurring, however, since the funding has been consistently recurring, I have included it in the total. It also includes supplemental funds which may not be available every year, but so far we have received it several years in a row.

Effective 10/1/19, PHWB no longer receives direct Unemployment Funds. Although this number has always been low, it did help offset staff costs of about \$20,000 with direct help to UI customers

One Time Budget consists of grants received for targeted projects and additional funds provided by the State of Florida that may not be recurring. They include NCPEP. This also includes unrestricted funds, such as as Pennies for Pasco Tobacco Free Florida and Ticket to Work and incentive \$

Carryforward budget consists of funds for programs that extend beyond the end of the fiscal year for all recurring funding sources, except for Pennies for Pasco.

Program Income consists of rents received from One Stop partners and is treated as a credit to Lease expense rather than revenue. VR is not longer located in our Hernando County offices is why rental income has decreased

NOTE: The \$25,000 difference in revenue between the Preliminary Budget, and Budget Summary, is the funds received for rent, that is applied against expenses.

ACTION ITEM 3
Extension of Audit Terms

BACKGROUND (or INFORMATION)

PHWB submitted a request for proposal for audit services for period covering June 2017 through June 2020. Department of Economic Opportunity's (DEO) policy allows a workforce board to use the same audit firm for 5 consecutive fiscal years, which would be June 2021.

JUSTIFICATION/REASON

I believe this to be in our best interest, since we have a good working relationship with the current audit firm; it stays in line with the five-year DEO policy.

RECOMMENDATION

Staff recommends that we extend the terms of the agreement with the current audit firm to include the fifth (5th) year ending June, 2021.

INFORMATION ITEM 1
Statement of Revenues and Expenditures

The following item is presented as information for the Committee.

No action is required.

Pasco-Hernando WFB 16
Statement of Revenues and Expenditures
From 7/1/2019 -03/31/2020

	2019-2020 BUDGET	<u>0.00</u>	<u>Net</u>	Burn Rate
Operating Revenue				75.00%
Grant Revenue	\$ 10,712,750	5,888,023	\$ 4,824,727	55%
Contract Revenue - PC	\$ 931,140	326,357	\$ 604,783	
Corporate Revenue	\$ 25,000	63,603	\$ (38,603)	
Interest Income		<u>1,530</u>	\$ (1,530)	
Total Operating Revenue	<u>\$ 11,668,890</u>	<u>6,279,513</u>	<u>\$ 5,389,378</u>	54%
Expenditures				
Personnel Expenses	\$ 4,719,812	3,224,322	\$ 1,495,490	68%
Program Expenses	\$ 4,390,157	2,542,335	\$ 1,847,822	58%
Professional Fees	\$ 316,786	169,795	\$ 146,991	54%
Supplies	\$ 109,000	86,228	\$ 22,772	79%
Telephone/Internet	\$ 139,110	74,732	\$ 64,378	54%
Postage & Shipping	\$ 6,300	1,440	\$ 4,860	23%
Occupancy	\$ 498,295	300,049	\$ 198,246	60%
Maintenance & Repairs	\$ 67,700	38,750	\$ 28,950	57%
Equipment Rental	\$ 40,500	21,930	\$ 18,570	54%
Travel & Staff Development	\$ 167,450	24,905	\$ 142,545	15%
Dues & Subscriptions	\$ 4,500	736	\$ 3,764	16%
Insurance	\$ 30,000	29,791	\$ 209	99%
Miscellaneous	\$ 54,000	<u>70,345</u>	\$ (16,345)	130%
Total Expenditures	<u>\$ 10,543,610</u>	<u>6,585,358</u>	<u>\$ 3,958,252</u>	
Net Revenue Over Expenditures (Carryover)	<u>\$ 1,125,280</u>	<u>(305,846)</u>		