



**LANE WORKFORCE EXECUTIVE BOARD MEETING**

**Thursday, May 16, 2019**

**11:30am – 1:00pm**

**MINUTES**

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**In Attendance:** Kristina Payne, Stan Pickett, Celeste Marshall, Joe Berney, Jake Boone, Mike Clark

**Absent:** Jennifer Adams, Christine Lundberg, Joe Henry

**Staff:** Tiffany Cink, Anne Nestell, Sue Thompson, Stephanie Lovell

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<u>Action Summary</u>	<u>Motion</u>	<u>Seconded</u>	<u>Status</u>
Approved Executive Board Meeting Minutes, March 21, 2019	Joe Berney	Jake Boone	Unanimous Approval
Awarded the professional audit and financial services contract to Jones & Roth for the period July 1, 2019 through June 30, 2020 with option of renewing the contract for up to four additional years.	Joe Berney	Jake Boone	Unanimous Approval
Approved PY 2019-2020 Budget	Jake Boone	Mike Clark	Unanimous Approval
Approved recommending to the Lane Workforce Partnership Board of Director the following Board Officers for PY 2019-2020: Stan Pickett, Chair Jennifer Adams, Chair-Elect Celeste Marshall, Treasurer Shondra Holliday, Secretary	Jake Boone	Mike Clark	Unanimous Approval

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**I. CALL TO ORDER**

Stan Pickett called the meeting to order.

**II. PUBLIC COMMENT** – *In accordance with Lane Workforce Partnership’s Public Comment Policy: Speakers will be taken in the order in which they sign up and will be limited to three minutes per public comment.*

There was no public comment.

III. CONSENT CALENDAR

Joe Berney made a motion to approve the March 21, 2019 Executive Board Meeting Minutes. Jake Boone seconded and the motion was unanimously approved.

IV. PROFESSIONAL AUDIT RFP

Tiffany Cink provided the background. In June 2014, Jones & Roth, P.C. was awarded a five-year contract to provide these services for LWP. In March 2019, a new Request for Proposal was issued.

We received five completed proposals. The Audit RFP Review Committee met and scored the proposals based on the requirements in the RFP (see scoring criteria below). Jones & Roth, P.C. received the most points. It was also noted that Jones & Roth's bid is competitive and they have provided great service over the past five years. Based on all these factors, the Audit RFP Review Committee is recommending that the contact be awarded to Jones & Roth P.C.

Lane Workforce Partnership 2019 Audit Services Scoring Criteria:

<b>D.1 General</b>
<b>D.1.a</b> What do you believe the strengths of your firm are with regards to the requested services?
<b>D.1.b</b> Please detail your firm's customer service philosophy.
<b>D.1.c</b> Describe the procedures your firm will use to develop and communicate with LWP's fiscal personnel with regard to: <b>D.1.c.1</b> Suggested and/or required audit adjustments. <b>D.1.c.2</b> Recommendations to LWP management personnel. <b>D.1.c.3</b> Weaknesses noted in internal controls, accounting systems, and compliance with laws and regulations.
<b>D.1.d</b> Does the structure of your firm include any woman and/or minority owners? If so, please describe.
<b>D.2 Personnel</b>
<b>D.2.a</b> Provide a history of your staff's longevity.
<b>D.2.b</b> Indicate the number of personnel that would be assigned to the audit and their associated responsibilities.

**D.2.c** Provide details of the non-profit auditing experience for the personnel that would be assigned to the audit, including number of years of experience.

**D.2.d** As an organization charged with serving the public interest, LWP is required to adhere to the ethical principles required by the Government Auditing Standards (the public interest; integrity; objectivity; proper use of government information, resources and positions; and professional behavior). Describe how your firm enforces these requirements?

**D.2.e** Summarize your firm's policy regarding the degree of participation of senior audit personnel that will be assigned to this engagement? What do you anticipate the frequency of their contact with LWP personnel will be?

**D.2.f** Describe how your staff maintains professional proficiency? What is your firm's professional development policy?

### **D.3 Services**

**D.3.a** Describe the firm's knowledge and recent experience in auditing Federal, State, and Local Government grants, including 2 CFR 200.

**D.3.b** Describe the firm's knowledge and experience in preparing financial statements for ORS 190 organizations.

**D.3.c** Describe your firm's approach to assessing control risk in small non-profit organizations.

**D.3.d** Detail the scope of work and related time frames that you will require LWP's staff to perform enabling you to deliver the final auditor opinions, reports and findings due no later than January 1.

**D.3.e** Provide any additional policy, procedure, practice or idea your firm has (that is not covered in this RFP) which you feel would add value to LWP's audit process.

Jake Boone made a motion to award the professional audit and related financial services contract to Jones & Roth for the period July 1, 2019 through June 30, 2020 in the amount of \$23,525 with the option of renewing the contract for up to four additional years based on satisfactory performance. Mike Clark seconded and the motion was unanimously approved.

## V. PROGRAM YEAR 2019-2020 BUDGET

Tiffany Cink provided an overview. LWP annually prepares the budget for final adoption by the LWP Executive Board.

Revenue: Revenue decreased from the 2018-2019 modification 1 total of \$5,438,591 by 17% (\$927,038) to \$4,511,553. The decrease in federal Workforce Innovation and Opportunity Act (WIOA) funds represents \$599,566 (65%) of the total decrease. The federal Department of Labor WIOA formula allocations for the states were published on April 10<sup>th</sup> with reductions for Oregon in every fund. The State of Oregon hasn't published allocations for the local areas. The WIOA funds in this budget are based on estimated allocations and estimated carry-over from 2018-2019. Both WIOA carry-over and allocations will be finalized with budget modification #1.

Other federal funding sources: Both the Linking to Employment Activities Pre-Release (LEAP) and Rethinking Job Search have ended and the Tech Apprenticeship program is in the second year making up the balance of the decrease.

For the state general fund programs, we've projected flat-funding based on the awards from 2017-2019.

Expenses: Total expenses decreased from \$4,657,970 by 11% (\$510,994) to \$4,146,976. The Reserve for Future Expenditures decreased from \$673,621 by 62% (\$416,044) to \$257,577. We expect both the final allocations and carry-over of federal and state funds to increase this amount.

Personnel Services represent 23% of annual expenses and include nine positions (7.48 FTE) with annual budgeted costs including benefits of \$961,062. The decrease is \$51,075 from the modified budget of \$1,012,137 for 2018-2019.

Materials and Services are down 8% and are 6% of annual expenses. The amounts include those non-personnel service costs associated with the office and personnel at 1401 Willamette Street and the costs associated with the Lane Workforce Partnership Board of Directors.

Community Investments are the amounts directly attributed to the provision of workforce services to the population of Lane County. LWP has budgeted 71% of total expenses in the pursuit of a trained workforce of individuals with the knowledge and skills needed for career success. We will see an increase in the Community Investments amounts as money comes in. The budget presented here is conservative and as in previous years, we will bring a Budget Modification action item to you in the fall.

Jake Boone made a motion to approve the General Operating Budget as presented. Mike Clark seconded and the motion was unanimously approved.

## VI. BOARD OFFICER RECOMMENDATION

As stated in the Lane Workforce Partnership By-Laws, “The Corporation shall have a Chair, Chair-Elect, Secretary, Treasurer, Executive Director, and Past-Chair, all of whom shall be elected by a majority vote of the LWB except for the Executive Director who shall be separately selected and appointed by the Board of the Corporation.”

Current board officers are Stan Pickett, Chair, Jennifer Adams, Treasurer, and Celeste Marshall, Secretary.

LWP Board Members were notified of Board Officer openings in April 2019. Shondra Holliday submitted her name for consideration of the Secretary Board Officer position.

Jake Boone made a motion that the Lane Workforce Executive Board recommends that the Lane Workforce Partnership Board of Directors elect Stan Pickett, Chair; Jennifer Adams, Chair-Elect; Celeste Marshall, Treasurer; and Shondra Holliday, Secretary to serve as board officers for Program Year 2019-2020. Mike Clark seconded and the motion was unanimously approved.

## VII. OTHER BUSINESS

Joe Berney noted that in the event that the court house bond passes, he expected to see significant private investments in apprentice programs from all 17 of the building trades in Oregon. He also expects to see contractors, plumbers, electricians, etc. who do not already have offices in Lane County, add offices in Lane County.

Kristina Payne noted that future Executive Board and Council meetings will be held at LWP (inside the Eugene Chamber of Commerce building).

## VIII. ADJOURNMENT

Meeting adjourned at 1:00pm.

*Lane Workforce Partnership is an equal opportunity employer. With 48 hours of notice, auxiliary aids and services, and alternate formats are available to individuals with limited English proficiency free of cost. Requests can be made directly to LWP or with the assistance of TTY: Oregon Relay Services at 1-800-735-2900.*