



BOARD OF DIRECTORS MEETING

February 19, 2014

12:00 PM

Board Members Present: Shean Atkins, Ralph Herrera, Jerome Jackson, Nancy Flake Johnson, Mona Kelly, Annie Matthews, Chuck Meadows, Alexis Scott, Elmer Stancil, Dr. Alvetta Thomas,

Board Members Absent: Stephanie Asbury, Tabatha Burks, Tamika Conde, Blenda Deberry, Dr. Kenya Gilliard, Brian Kincaid, Cassandra Lee-Austin, Brian McGowan, Barbara Richards, Mike Romesburg

Staff Members Present: Alexis Childs, Sean Culmer, Ralph Dickerson, Roberta Hall, Sirlathra Joiner, Metsehet Ketsela, Eugene Kirschbaum, Tammy Lipsey, Deborah Lum, Jo Anne Paschall, Shanell Ransom, Karen Simmons, Tammy Williams

Pending Members Present: Tom Spahr

Guests: Seth Eisenberg, Dr. Keith Evans, Dr. Eloise Klementich, Dr. Michael Maze, Jeffery Norman, Theora Powell, Julius Mack Willis, Charima Young

Quorum: Yes No

The meeting was called to order by Alexis Scott.

After introductions, Alexis Scott shared her news about joining the staff of the National Center for Civil and Human Rights as Vice President of Membership as of January 27th. Ms. Scott has left position as Publisher with Atlanta Daily World. As a result, she is resigning her chair and membership on the Atlanta Workforce Development Board of Directors, effectively immediately.

Ms. Scott expressed her gratitude and stated that it was a pleasure working on the board and with such a great staff. In addition, Ms. Scott stated that this agency provides a critical service to the citizens of Atlanta and she is privileged to have been a part of the board.

Ms. Lum informed every one of the AWDA staff changes that will be made.

In the last meeting it was discussed that the Blank Foundation and Invest Atlanta is assisting us with a satellite office adjacent to the dome. The projected date to move in is March 31st. A staff will be assigned to the satellite office with the goal to provide the same services that we provide here at this location.

Roberta Hall and Tammy Lipsey will be moving and managing the new “Westside Workforce Center”. It is understood that Invest Atlanta is going to help with funding for equipment, computers, telephone, etc. Blank will help fund the salaries of the staff assigned to the new location. In addition to Roberta and Tammy, we plan to send four to five people.

We would like to thank Invest Atlanta and Blank Foundation for their support of this expansion of our programs and services to that community.

Call to Order / Approval of Agenda and Minutes

There was approval for the agenda and the minutes from the November 20, 2013 meeting.

OIG REPORT – Jeffrey Norman from the City of Atlanta Law Department informed the board that AWDA has been served with a subpoena by the U.S. Department of Labor, Office of the Inspector General, relative to information concerning the AWDA On-the-Job Training Program. The time period currently under review is from January 2009 to present.

Norman stated that at this point, everyone should have received a litigation letter from Mr. Seth Eisenberg. It was explained that some may not be familiar with the situation due to the fact that they were not board members during that time frame. Copies of the letter were provided for members who had not received the letter.

Norman explained that with this litigation in progress, we are basically looking to preserve all documentation from 2009. In addition, he explained the genesis of the subpoena served.

Approximately a year ago, city internal auditors conducted an internal audit concerning this agency. As a part of that audit, it was indicated that there was possible indication of fraud relative to vendors associated with the On-the-Job Training Program. The information was provided to the U.S. Department of Labor and they are now investigating. It is considered to be a criminal investigation at this point.

Norman stated that he had a discussion with the U.S. Attorney’s Office, which is heading the investigation and currently no specific allegations have been made; they are in the information gathering status at this point.

We will produce documents such as:

- Workforce Development, database
- All the information relative to the participants
- Specific vendors that have served that program, etc.

In addition, we will be looking at email communications with those vendors.

The City of Atlanta Law Department is at the front end of the process and Norman thinks it will be seamless right now as far as board members are concerned. The board will be provided with periodic updates as the process moves forward.

Seth Eisenberg - As far as litigation goes, the board members were asked to review the letter and if there are any questions, a contact number is provided in the letter. At this point, the important thing is, in regards to electronic documentation, if you think it is something that fits the description in the letter, please preserve it.

There will be follow-up with Deborah Lum to get everyone's respective email address added to the list to receive a soft copy of the document. Please provide a valid email so that you can continue to receive updated information.

Q: What is the time frame, and what is going to happen at this point?

A: We are behind in time due to the snow days. We will have a meeting this afternoon to discuss production of the documents. Currently, there are no anticipated time frames. At this point there are no specific allegations provided or indication of fraud made against the agency. Board members were cautioned not to presume that there is indication of fraud on the AWDA side. It may be respective to the vendors engaged in behavior that may not have conformed to the requirements of the program. Although no specific allegations have been made thus far, that is information that is not normally shared at this point.

During the process the OIG will be gathering all information relative to the administration of the actual program, then the OIG will make their determination as to whether they feel there is credible evidence that fraud exists somewhere within the program. If in fact fraud does exist, the DA will determine the parties and will decide if AWDA has any involvement.

In the subpoena there were approximately 57 vendors identified that served on the program. Right now we are dealing with production relative to approximately seven of those vendors, for which we will probably have production of those documents within the next 30 days.

Right now we are at the front end and there are no specific allegations, and there is no single investigation process. They will probably use their determination as to how long this process will last.

Q: What is the likelihood that we as board members might be contacted for information?

A: That would be more of a factorial determination to the extent that you may have had specific contact with any of the vendors that they are investigating, then there is a high probability. Although, that would only be if there is something that appears to be of interest to them as they move forward in the process.

Again, at this point it would be seamless for most of the board members. We are basically looking at the administration of the program. If there are connotations out there where you may have been interacting with the vendors, then that may lead to needing more information. We have not yet made that determination, nor have we amassed all those documents to follow through at this point, but I would anticipate that at your level, you would be pretty safe.

Q: Have all the vendors been notified?

A: No, but the city has been notified. We are not privy to all the steps that are taken in the investigation, but I do know that all vendors have not yet been contacted. To the extent that the U.S. Department of Labor is seeking information from those parties and that they are contacting them directly, that will not come through.

FINANCE COMMITTEE REPORT – Eugene Kirschbaum gave the Finance Committee report in the Chair’s (Stephanie Asbury) absence.

WORKFORCE INVESTMENT ACT (WIA)

Regarding the financial report from December 31st, the budget in line for each of the WIA programs totals to about \$7MM in funds for the budget.

- Expenditures are \$2.6MM through December 21st.
- They have ending periods, so by the end of June this year, we will have to spend a little over \$2.2MM that we have in the balance of WIA funds.
- We then have a balance of about \$4.8MM through 2015.
- Don’t see any red flags; we seem to be in pretty good shape.
- The balance expiring June 30, 2014 is the \$2MM that we have to spend by June 30th.
- We will spend that money before we start spending money for 2013 and 2014.

OTHER FEDERAL GRANTS

We have received other federal money; Atlanta Housing Authority, the Ace Program and the YouthBuild Grant, which is a grant from the Department of Labor. In addition, we have the YouthBuild USA and the total of funds for the budget is \$2.3MM.

We spent \$839M, just a little under \$1MM, giving us a balance of \$1.5MM that we have in funds for those programs.

OTHER PROGRAMS

Atlantic Station

- There was a discussion regarding the remainder of the Atlantic Station funding.

Cost Allocation Plan

The Governor’s Office requires us to have a cost allocation plan and requires that the plan is approved by the AWDA board. The AWDB membership received a copy of the AWDA Cost allocation Plan prior to the meeting for their review. Requirements for the plan were discussed and include the following items:

- An organizational chart identifying all departments, services and funding sources for all staff functions.
- A Statement of Function and Benefits that captures the types of services provided and their relevance to ETA-funded projects. This should also include all non-ETA funded projects and revenues.
- Cost of official financial statement/budget

- Expense items that have been budgeted for ETA-funded projects. This includes all pooled or shared costs that will be allocated among several funding sources.
- Description of methods used to distribute pooled or shared expenses. This description should also capture the allocation basis and all supporting documentation.
- Certification by an authorized official that the plan has been prepared and submitted in accordance with all federal and state regulations, including authorizing legislation for non-ETA funding.

**The motion for approval of the Finance Report including the Cost Allocation Plan was made by Mona Kelly and seconded by Sean Atkins. The motion was approved by a unanimous vote of the board.*

PERFORMANCE AND STANDARDS COMMITTEE REPORT

Dr. Alvetta Thomas presented the Performance Committee report and this quarter there was not a quorum, nor was there a performance report available for the meeting held on Monday, February 10, 2014. Therefore, the meeting was basically a review of other business in process.

- The 393 requirement, which is related to One-Stop re-certification and AWDA is currently working on that and will provide an update at the next board meeting.
- The update on the Georgia Department of Labor- Georgia Workforce System (GWS) is that AWDA is in the final stages of a contract agreement that will allow the staff to access to that system and will be able to directly view the work history of people for monitoring and wage validation.
-

**The motion was made for approval of the Performance and Standards Committee report, seconded and approved by a unanimous vote of the board.*

ECONOMIC DEVELOPMENT COMMITTEE REPORT

Ralph Herrera gave the Economic Development Committee report

Westside Workforce Center

- The primary focus of the meeting was the discussion regarding the upcoming partnership with the Blank Foundation at the new Georgia Dome location on the westside.
- It is a joint effort with the Arthur Blank Foundation and they would pay 50% of salaries.
- We will be using WIA dollars for our portion and the cost will be in the \$500,000 range over the next 18 months to run the operations.
- In addition, we have a partnership with Invest Atlanta.

Mayor's Cup Golf Tournament

- Mayor's Golf Tournament – Save the Date, Tuesday, June 10th
- We have over \$22,500 committed and \$7500 received.

OLD BUSINESS

- Turner Foundation was not able to award the AWDA the \$500,000 grant; late last year we were made aware that there was a change in management at Turner.

NEW BUSINESS

- We received a check for a \$50,000 grant from Coca- Cola for the Mayor's Youth Program College Unit.

Deborah Lum

- Since the meeting, Atlanta Housing Authority has come back to the table to re-negotiate another 5-year contract to service almost double the number of people that we are now seeing.
- We are looking at close to \$2MM from AHA and we should be negotiating before the May meeting but starting the new grant July 1.

Shean Atkins

- There are currently 2000 families that are not responding to our current program with AWDA and we would like to beef up our efforts to help those families to gain skills and other services needed to move into the Workforce.
- We are meeting with AWDA because for that one, it is an intergovernmental agreement and AWDA's governmental agreement already serves our participants. The AWDA knows our programs and we felt we could communicate with them for that development strategy.

**The motion was made for approval of the Economic Development Committee report, seconded and approved by a unanimous vote of the board.*

Mayor's Youth Council

The Mayor's Youth Council report was presented by Mona Kelly in the absence of Chair, Mike Romesburg.

In School Youth Report

Fall Workshop Series

- The Mayor's Youth Program in partnership with SHRM held two college and career fairs on November 2 and 16, 2014 for the Mayor's Youth Program – high school juniors and seniors.
- 182 youth attended the fairs and workshops; the workshop addressed college expenses, ethics and money management.

Class of 2013 Update

There are 234 high school grads in the program.

- In sum, 69% (161 of 234) have enrolled, or it looks like they will be enrolling, or plan to enroll in post-secondary education, and 31 cannot afford it.
- The Mayor's Youth Program accepted 97 new in-school youth applications during December, and continues to accept students for the waiting list.

Important Program Updates

- Eastlake Foundation is temporarily on hold due to administrative changes there.
- Project Restore is no longer a One-Stop partner to the Mayor's Youth Program participants due to the end of its grant funding.
- SHRM Work Readiness Workshops are scheduled for the spring of 2014, Saturday, February 22nd and 3 dates in March. It is mandatory for all youth seeking placement in the summer to attend these workshops.

Out of School Youth

- Lance Wise has resigned from the AWDA staff. Mike Romesburg introduced and welcomed Ralph Dickerson as the new Out of School Youth manager.
- In his report to the committee, Mr. Dickerson presented a new program- ATL Prep, an initiative of the Parks and Recreation (COA). In this program, the youth are learning skills in childhood development, parks and building maintenance, lifeguard and receptionist, some are coaching youth programs. Tammy Lipsey - presented the new pilot program - the Atlanta Parks and Recreation Empowerment Program (ATL PREP) for Youth Council approval.
- Regarding post-secondary preparation, Ralph provided an update on youth who participated in the Pre Mat program with the Atlanta Metropolitan State College over the last year. Five of seven youth successfully completed the college Pre Mat program and are enrolled in Atlanta Metropolitan State College.

PY 13 Updates

- The Out of School Youth program will enroll an additional 30 youths with the goal of guiding them towards post-secondary options, as well as offering work options.

Mayor's Youth Program- College Unit

- The Mayor's Youth Program College Unit budget figures for 2013-2014 to date were presented by Jo Anne Paschall. In addition, a list of colleges and universities that students from our program are attending this year was presented.
- There were 62 participating students; 37 colleges, and we have paid-to-date \$56,735 and we have a remaining balance commitment of \$92,900.
- The goal of the program is now post-secondary completion.

****The motion was made for approval of the Mayor's Youth Council report, seconded and approved by a unanimous vote of the board.***

One-Stop Report

Deborah Lum

- The AWDA "One Stop Customer Service" format has been changed. At present, we provide a comprehensive One-Stop report on a monthly basis to the City program "For Atlanta" for the Invest Atlanta project – "Workforce Development Strategy". We will be using these reports for the AWDB quarterly One-Stop report moving forward. With this new format, we can compare numbers from month to month and then from year to year.

NEW BUSINESS

GOWD Site Visit Response PY 2012

Deborah Lum

- The Governor’s office monitored us in December and gave us a report; there were questions based on the cost allocations.
- We received a letter in February taking care of most of the costs findings; the rest will be cleared up when we send them our board-approved Cost Allocation Plan.

Prepaid Items (requires approval)

The AWDB membership received a copy of the revised AWDA policies and procedures the purchase, inventory, distribution and maintenance for prepaid items prior to the meeting for their review.

Deborah Lum

- We were unaware that belts and t-shirts were required to be managed as prepaid items and had not included the belts or t-shirts that we purchase for youth in the summer program in our prepaid process. Moving forward, we will utilize this Prepaid Policy and Procedures for these and other items considered to be prepaid items as required by the GOWD
- We have revised our policies and procedures for the purchase and inventory of all prepaid items including the belts and shirts and will continue to follow these procedures for all future purchases that require inventory processing and staff training for these procedures. . We have referred to the GOWD Prepaid Program Items Technical Assistance Guide for the AWDA Prepaid Program Items Policy and Procedures.
- We have made sure that everything we were questioned on is now in and it is written; we should be cleared of all findings that we had with the last monitor report.

****The motion for approval of the AWDA Prepaid Program Items Policies and Procedures was made by Mona Kelly and seconded by Jerome Jackson. The motion was approved by a unanimous vote of the board.***

Invest Atlanta

Dr. Eloise Klementich presented an informative overview of the extensive programs and projects of Invest Atlanta– the City of Atlanta Economic Development Authority. Dr. Klementich is over the Business Development Department of Invest Atlanta.

Invest Atlanta is currently conducting an extensive study for the AWDA to assist the agency with strategic planning – the “Workforce Development Strategy” is coming together at this point. Invest Atlanta has conducted interviews and organized several focus groups. They have completed a gap analysis that will be sent out to the AWDB membership. The next step is to put the report together. Once all of the interviews are completed, the final writing will commence. The report should be completed by the beginning of April.

Alexis Scott

Invest Atlanta has conducted this research project at the request of Mayor Reed to determine how the AWDA supports the City and its economic development to ensure that training programs are in place that support the

employment needs for businesses and industries that are in high demand and to provide training programs for new jobs in the future.

Financial Disclosure

Jo Anne Paschall

There are now two separate disclosures that AWDB board members are required to do.

- GOWD is the one that was sent out in an email to you and of the two, this one is for the Governor's office and is due March 31, 2014. This is the second year we have been required to file disclosure with the GOWD.
- The second financial disclosure is for the City of Atlanta, which happens this time every year.
- The COA Financial Disclosure start date this year is March 3rd and the submittal deadline is April 3rd.

Elmer Stancil

Following the approval of the State FY15 budget, I think we are looking forward to having the Governor's Office of Workforce Investment to be under the umbrella of our agency – the State Department of Economic Development.

Ralph Herrera

Recognition and gracious thanks were expressed for the excellent leadership that Alexis Scott has brought to her tenure as Chair of the AWDB and many thanks to her for the years for dedicated participation on the board at every level and on every committee. Best wishes to Alexis in her new position, she will be greatly missed by all.

CLOSING REMARKS

The meeting adjourned at 1:30 pm.