

**BEST, Inc. Board of Directors
HR Committee Meeting Minutes
August 23, 2014**

A meeting of the Business Employment Skills Team HR Committee was held at 3:00 PM on Friday, August 23 at the Wipfli office in Sterling. Committee members Kathy Enbom and Wayne Reising were present. Jennifer Robbins was absent.

The committee discussed a request by JoAnn Johnson, Administrative Assistant for a salary increase commensurate with her job responsibilities. Pam Furlan, Executive Director – WIB provided the committee with a written summary of job duties and a recommendation to increase JoAnn's salary to \$45,000 based on the salary range for individuals with comparable duties in other organizations. The committee discussed concerns over the current funding status and whether or not BEST could afford the salary increase. Kathy Enbom mentioned that two positions approved on the organizational chart were not filled at the time of the merger so the executive directors had decided to postpone filling the positions until we were more comfortable with the funding status. The committee suggested that if the raise was approved, it should be done with an understanding that the other two positions would not be filled at this time. Wayne Reising made a motion to recommend the Board approve a salary increase for JoAnn Johnson to \$45,000, with an understanding that the two outstanding positions would not be filled until such time as the funding status was more stable. Motion seconded by Kathy Enbom. Motion carried.

The committee discussed the status of the CFO search. Kathy Enbom reported that the resumes received to date were from individuals who did not appear to have the requisite experience with non-profit entities. Kathy Enbom stated that Pam Furlan requested the Board consider allowing a temporary alternative arrangement whereby certain CFO services would be outsourced to another LWIA or third party. Pam had informed Kathy Enbom that the DCEO approved the arrangement and offered the name of a firm which provides services to the State. Kathy Enbom mentioned that she had also suggested Pam research the possibility of obtaining the services from a local firm who is familiar with non-profit accounting methods. Motion by Wayne Reising to recommend the Board approve a temporary alternative staffing arrangement for the CFO position. Motion seconded by Kathy Enbom. Motion carried.

The committee discussed the status of the merger. Kathy Enbom reported that she had solicited feedback from Pam Furlan and Kathy Day regarding the status of the merger and any resulting challenges. Kathy stated that there appears to be some challenges with integrating the staff, although the challenges are not unusual when mergers occur. Kathy suggested that the company explore holding a staff in-service day to include team building activities, focus groups to discuss successes and challenges, and planning. Wayne Reising stated that he knows an individual who is capable of providing facilitation services. Kathy asked Wayne to discuss the potential in-service with the individual and obtain a cost estimate for facilitation services.

The committee discussed the need to complete performance evaluations for Pam Furlan and Kathy Day. Kathy Enbom indicated that she did not feel comfortable preparing a performance evaluation for Kathy Day since she had been with the company for such a short time, and Wayne indicated he was not familiar enough with the job performance of either Kathy Day or Pam to prepare a fair evaluation. The committee discussed delaying the evaluations and extending the employment contracts for a short period until board members could obtain a better indication of the job performance of the two individuals. Wayne Reising motioned to recommend to the Board that Kathy Day and Pam Furlan's contracts be extended until February 28, 2014 at which time performance evaluations would be completed. Motion was seconded by Kathy Enbom. Motion carried.

The committee also discussed salaries for Kathy Day and Pam Furlan. Kathy Enbom reported that Kathy Day's salary with the prior LWIA was \$87,152 so her original contract with BEST was for that amount. Kathy Enbom stated that Pam Furlan's salary is currently \$65,033.56; but the Board also allows for a \$1,300 quarterly contribution to a 403(b) plan for Pam, which results in an annual salary of \$70,233.56. The committee reviewed salary ranges for other workforce areas in the state and determined that the salaries for workforce areas most comparable to ours ranged from \$56,000 to \$80,500. After considerable discussion the committee suggested recommending the Board approve salaries of \$78,600 for each of the executive directors. This is the average of the two existing salaries. The committee also suggested offering the executive directors the option to receive a salary of \$73,400 with a quarterly 403(b) contribution in the amount of \$1,300 in lieu of the \$78,600 salary. Wayne Reising motioned to recommend the Board approve salaries of \$78,600 for each of the executive directors with the option to receive a portion of the salary (\$1,300 per quarter) as a contribution to a 403(b) plan. Motion seconded by Kathy Enbom. Motion carried.

Submitted by

Kathy Enbom

Co-Chair, Board of Directors