

Business Employment Skills Team, Inc.
Zoom Meeting Minutes
October 26, 2020

The Business Employment Skills Team, Inc. Board of Director’s Meeting was called to order at 6:30 p.m. by Co-Chair Kevin Reibel. Roll call was taken.

Name	Present	Absent	Name	Present	Absent
Robert Albrecht			Steven Malavolti	X	
Gary Camarano		X	John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayne Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

PROXY: Robert Albrecht to Kevin Reibel

OTHERS PRESENT: Carrie Folken, Jo Ann Johnson, Annette Pace, Dianna Schuler

PY 19 Audit Report

Annette Pace introduced Justin Knorr with Clifton Larson Allen (CLA) to members noting that he was the lead for the PY 19 Audit. Justin informed members that copies of the PY 19 Audit and Governance Communication Letter was sent to members prior to the meeting. He told provided members with an overview of the Audit. Justin complimented Annette and Jessica for their support and flexibility in conducting the audit remotely due to the COVID pandemic. Referring to a power point presentation that was distributed to members prior the meeting, Justin told members that CLA issued an unmodified audit opinion over financial statements and the reports are in accordance with Government Auditing Standards (GAS) and Uniform Grant Guidance (UG). He told members that total revenues were \$3,303,347 for the year ended June 30, 2020, down \$555,000 from FY19. As 99% of revenue is from federal grants, decrease is due to the amount of grant funding in the current year, as funding decreased for the WIOA grants \$615,000. In regards to expenses, Justin said that total expenses were \$3,308,300 for the year ended June 30, 2020, down \$536,000 (14%) from FY19. As BEST’s program activities decreased with less grant funding, expenses have decreased proportionally. Referring to the chart that shows the ratio of program expenses vs. management and general expenses, Justin said that a good rule of thumb is to keep management and general at 20% or less of total expenses. He said that BEST has consistently maintained this rate at 10% or less over the past 5 year period. Justin continued by saying that the majority of the expenses are allocated to the programs, with most of these being either training and materials or personnel costs. These costs, he said, have consistently been 87-90% of total expenses over the trailing 5 year period. Overall operations, Justin said, resulted in a reduction in net assets of \$4,953 for the year ended June 30, 2020, compared to a positive change in net assets of \$9,020 for FY19. He said that since the main source of revenue is federal grants, the programs operate close to break-even each year. Continuing to highlight the financial analysis, Justin told members that total assets were \$273,000 at June 30, 2020, down \$53,000 from June 30, 2019. He commented that funding sources will fluctuate based on timing of draws and receipts from the state. As required by federal funding regulations, Justin said that BEST monitors cash levels to ensure there is minimal time from draw to disbursement of funds. Justin told members that total liabilities as of June 30, 2020 were \$252,000, which was down \$49,000 from FY19. He said that payables and accrued expenses will

fluctuate based on timing of year end payments. Justin noted that FY20 included a larger amount of unearned revenue as payments were received in advance of the expenses at June 30. Net assets decreased to \$20,523 as of June 30, 2020. As the main source of revenue is federal/state grants, the programs operate on a close to break-even budget and significant excess revenue is not expected.

In regards to the Single Audit, Rusty told members that there were no findings or issues reported. Justin also noted that CLA values their relationship with BEST, Inc. and once again thanked staff for their assistance throughout the audit process.

Members thanked Justin for the audit presentation.

Public Comments

Carrie recognized that Dianna Schuler, Business Relations Manager, was on the Zoom call.

Approval of Meeting Minutes

Randy Freeman motioned to approve the August 24, 2020 Meetings Minutes. Motion was seconded by John Nicholson. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayne Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

Executive Director Report

Getting the Word Out

Carrie informed members that she included her report in the meeting materials. However, she did point out that one of her goals was to get the word out about BEST into the public as much as possible. She said that staff coordinated with IDES staff to hold drive through job fairs in Ottawa, Sterling and Oregon. Carrie reported that 17 employers and 77 job seekers participated in the event for Whiteside County. For LaSalle County, Carrie noted that 15 employers and 30 job seekers participated in the event. Carrie also said that packets were given to the Department of Human Services and North Central Behavior Services for them to distribute to potential job seekers. Additionally, the Sauk Valley Food Bank retained packets to distribute to their customers. The Job Fair for Oregon will be held on October 30.

PY 20 Dashboard

Carrie told members that that Dashboard along with the performance information is included for their information. In addition to the success stories she included the stories that she shared with each of the respective County Board members.

Apprenticeship Grant Update

In regards to the Apprenticeship Update included in Carrie's report, Jim Duffy commented about the possibility of LW Schneider developing a CNC program. He asked Carrie how many individuals will be involved with the Apprenticeship Program. Carrie explained that the purpose for the Apprenticeship Grant was for a Navigator position to increase the awareness of apprenticeship programs and working with local chambers of commerce and educational institutions. She said that the grant does not serve individuals. It only increases awareness of apprenticeship programs.

Performance Negotiations

Carrie informed members that she and Joel completed performance negotiations with the State of Illinois recently. She said that the State indicated that they may be able to renegotiate at the end of the year. Carrie said that they will look at unemployment data and the response to COVID in our area to see if we can decrease any of our measures.

PY 19 DCEO Monitoring

Carrie reminded members that at the last meeting she reported on the findings of the DCEO Monitoring. Those findings have been resolved and a copy of the acceptance letter from DCEO was included with the meeting materials.

Discussion Regarding EO Monitoring Findings

Carrie informed members that back in 2017 an Equal Opportunity (EO) Monitor visited each of our offices and did an assessment regarding program and building accessibility. When the findings were reported, Jo Ann contacted the landlords and/or building supervisor and it was our understanding that DCEO accepted our initial input for the corrective action. She told members that we were told that everything was okay by doing due diligence in pointing out the discrepancies to the landlords and/or building supervisor. Carrie told members that the EO Monitor that did the monitoring in 2017 is no longer with DCEO. She said that Jo Ann recently had to complete a self-assessment of our offices as required by DCEO. Carrie told members that during this process is when the current EO Monitor identified non-compliance issues. Carrie referred members to the DCEO correspondence and outlined the non-compliance issues noting that they are all being taken care of. She said that during a conversation with the Jo Daviess Health Department she was informed that they do not plan on making any changes to bring the building into compliance. Carrie said that she did talk with Scott about this issue and notified him that if the building is not in compliance that BEST cannot use federal funds to pay rent. Carrie assured members that vacating the office in Galena will in no way affect the service of individuals in Jo Daviess County. She said that staff have the availability to meet individuals at accessible locations. After discussion, Carl Carlson motioned to close the Galena Office effective December 31, 2020. Motion was seconded by Randy Freeman. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayne Sulser	X	

Randy Freeman	X		Scott Toot		X
Kevin Lindeman	X				

Motion carried.

Scott and John both expressed some frustrations with having to change the historic doors and handles of their buildings for compliance purposes.

Finance Director Report

Annette reported that Trade Grant (PY18-661004) Final costs will be posted to GRS on 10/20/20. Grant Close-out will be initiated at that time.

She told members that Rapid Response Grant PY19-651004 with an expiration date of 06/30/2021 currently has \$177,116 available for future Dislocated Worker training.

Annette told members that the Opioid Grant PY19-671004 has an expiration date of 06/30/21 and currently has less than 17,000 available after direct training obligations have been deducted.

Annette said that the PY19 WIOA has an expiration date of 06/30/21 and is fully obligated.

Annette informed members that the PY20 WIOA in the amount of \$3,724,813 has been approved by the State

In regards to the Apprenticeship Grant, Annette said that the fully executed grant in the amount of \$123,216.00 has been received from the State of Illinois and is effective 06/01/20 thru 12/31/21 for apprenticeship expansion.

Annette told members that a Grant Modification requested by the State has been submitted to and approved by the State increasing grant funding to \$303,123.35 which provides funding to 19 local workforce area businesses to defray costs incurred due to layoff aversion. Businesses were encouraged to submit requests for layoff aversion funding directly to the State for approval. Layoff aversion funding is being disbursed to the approved businesses through grants awarded to Local Workforce Areas.

Annette informed members that the annual audit conducted by CLA is complete and a copy was included with the meeting materials for approval. Kathy Enbom motioned to approve the PY 19 Audit. Motion was seconded by Jamey Sulser. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayme Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

Annette presented the Financial Reports for July and August 2020. With there being no comments, Randy Freeman motioned to approve the July and August 2020 Financial Reports. Motion was seconded by Carl Carlson. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayme Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

HR Committee Meeting

Wayne provided the report for the HR Committee which met prior to the BEST Board meeting. He told members that Carrie and Annette asked the Committee for Clarification of Sick Time Policy. Wayne said that the Committee concurred that employees will be awarded 12 sick days on July 1 instead of having them being earned on a monthly basis. It was noted that sick time would be prorated for non-full-time employees. It was also agreed that awarded time will not be paid out. Wayne Reising motioned to concur with action taken by the HR Committee regarding the awarding of Sick Time. Motion was seconded by Steve Malavolti. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayme Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

Employee Health Insurance Renewal

Wayne informed members that the HR Committee recommends to renew the employee health and life insurance policy with United Health Care. Wayne Reising motioned to concur with the HR Committee’s recommendation to renew the employee health/life insurance coverage with United Health Care. Motion was seconded by Jim Duffy. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayme Sulser	X	
Randy Freeman	X		Scott Toot	X	

Kevin Lindeman	X				
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Motion carried.

Approval of Youth Job Developer Position

As she explained to the HR Committee, Carrie informed members that she is requesting a Youth Job Developer position be added to the Organizational Chart. She said that this position will serve as a job developer and job coach for youth. She reminded members that many of the performance measures deal with youth activities and it is important to have someone focused so that the performance measures can be met. Carrie noted that this position will work hand-in-hand with Sally Hanrahan our Youth Coordinator and will be housed in the Old Lee County Courthouse office. Carrie told members that a copy of the job description was included with the meeting materials. Randy Freeman motioned to approve the Youth Job Developer position. Motion was seconded by Jim Duffy. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayne Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

Discussion about Executive Director Performance Evaluation

Wayne informed members that over the past couple of meetings, the HR Committee has discussed a Performance Evaluation tool for the Executive Director. He said that the committee asked Carrie to check with other local areas to see how they handle their Executive Directors' Performance Evaluation. Wayne told members that the HR Committee did review some sample copies of the Evaluation tool and recommend to use the one provided by Career Link, with a few corrections in the future to evaluate Carrie. Wayne Reising motioned to approve the use of the Career Link Performance Evaluation tool (with corrections as noted in the HR committee meeting). Motion was seconded by Carl Carlson. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayne Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

Other Business

Discussion for December Meeting Date

After discussion regarding the December meeting, Randy Freeman motioned to move the regularly scheduled BEST Board Meeting from December 28, 2020 to December 21, 2020. Motion was seconded by Jamey Sulser. Roll call vote was taken.

Name	Yes	No	Name	Yes	No
Robert Albrecht	X		Steven Malavolti	X	
Gary Camarano			John Nicholson	X	
Carl Carlson	X		Kevin Reibel	X	
James Duffy	X		Wayne Reising	X	
Kathy Enbom	X		Jayne Sulser	X	
Randy Freeman	X		Scott Toot	X	
Kevin Lindeman	X				

Motion carried.

Adjournment

With there being no further business, Jim Duffy motioned to adjourn. Motion was seconded by Steve Malavolti and carried. Meeting adjourned at 7:35 p.m.

Jo Ann Johnson

Approved by:

James C. Duffy
Secretary