

BUSINESS EMPLOYMENT SKILLS TEAM, INC.
BOARD OF DIRECTORS' SPECIAL MEETING MINUTES
October 9, 2013

The Business Employment Skills Team, Inc. Board of Directors' Meeting was called to order at 6:30 p.m. by Co-Chair Joe Panzica.

Name	Present	Absent	Name	Present	Absent
Robert Albrecht	X		Joe Panzica	X	
James Duffy	X		Chuck Phillips	X	
Kathy Enbom	X		Kevin Reibel	X	
Kim Gouker	X		Wayne Reising		X
William Holmes	X		Jennifer Robbins		X
Rick Ketchum	X		Ron Smith		X
Lisa Lynch		X	Betty Steinert		X
Jay McCracken		X			

PROXY: Lisa Lynch (Kathy Enbom), Jay McCracken (Kathy Enbom), Wayne Reising (Kathy Enbom)

OTHERS PRESENT: Pam Furlan, Kathy Day, Jo Ann Johnson

Business Meeting

Impact of Government Shutdown

Review and Decide on Reduction in Staff Costs

Kathy Day informed members that Kathy Enbom provided some questions regarding how the Government Shutdown would affect the Business Employment Skills Team, Inc. customers and staff. Kathy said that the responses to those questions and any Board Action Item are listed in "red". First and foremost, Kathy Day told members that all staff at BEST are essential and the recommendations being presented are to keep offices functioning in an emergency situation. She continued by saying that because of the temporary reduction in staff, all services that BEST performs on a daily/regular basis will be severely impacted and could have an adverse effect on our individual, business, and community customers. Kathy said that operations will continue as usual through October 31, 2013.

In terms of essential staff, Pam told members that the 2 fiscal staff that are doing the work of 3 is very essential. The other essential staff includes the Program Coordinator, Business Services Manager, Youth Coordinator and all Trade Career Advisors. One advantage, Kathy said, is that there is access to youth funding as well as Trade program funding which will keep services continuing to our customers and offices open.

In terms of the Executive Directors, Kathy said it is being recommended for her and Pam to alternate days or weeks. Jim Duffy asked if vacation time would be used during the time away. Kathy responded

that those staff that have vacation time would be allowed to use their Paid Hours Off (PHO). She said that when staff use their PHOs those funds come from an Accrued Leave Account which is reconciled every quarter to allow for those funds to be there when needed.

Pam stated that the Accrued Leave Account always has enough funds in the account to cover PHOs for staff. She continued by saying that the establishment of an Accrued Leave Account was recommended for not-for-profits so that money be available to pay out their staff should funding cease. Pam told members that the money is in an interest bearing account and is not used for anything but paying staff their PHO hours.

Kathy Day continued by saying that the staff of the former Partners for Employment and the IL Valley Community College Dislocated Worker staff have been accruing PHOs since they started with BEST on July 1, however, they have not yet earned them. She referred members to a handout that was included with their meeting materials that identify the number of PHOs that staff accrued from July 1 through October 13.

Members briefly discussed the PHO system and the concern of the funds not being in the account. Pam told members that she and Kathy recently participated in a conference call with the Department of Commerce & Economic Opportunity and they are going to give LWIA #4 about \$80,000 to cover costs in the event that it is not allowable to cover costs from October 1. Discussion continued regarding the funding. Pam and Kathy Day assured members that they are keeping abreast of the funding situation and will continue to keep members informed.

Kathy Enbom asked about the limit of PHOs that a staff can carry forward to the next calendar year. Pam responded that staff is allowed to carry 237 hours forward to the next calendar year. Kathy Enbom stated that some staff has a lot of PHOs and expressed concern with them being able to use them or lose them before December 31, 2013.

Going around the table, members voiced their concerns about the limits of PHOs for staff. Pam reminded members that PHOs are used for sick, vacation, leave, and/or personal. She also told members that BEST does not have a short-term medical policy.

The Chief Elected Officials voiced their concern regarding disallowed costs. Pam reassured members that she talked with the DCEO and the recommendation to change the PHO policy for those staff who have earned their PHOs since July 1, 2013 is legal and has it in writing.

Motion by Kathy Enbom that in the event that staff was furloughed that the plan be implemented which would call for essential staff as determined by Pam and Kathy to be retained and staff that are considered non-essential would be furloughed effective November 1, 2013. Motion was seconded by Robert Albrecht and carried.

Waive 6-Month Wait for Using Paid Hours Off

Jim Duffy motioned to waive the 6-month waiting period to earn PHOs only in the event that it is necessary to furlough staff due to the shut down. The motion also stated that money be transferred now into the Accrued Leave Account to cover all staff from prior months. Motion was seconded by Kevin Reibel and carried.

Pam stated that the next BEST Board meeting will be October 28 and she will provide an update on this matter.

Continue Paying Insurance for Furloughed Staff

Next, Kathy Day requested that the Board consider continuing to pay for insurance should staff be furloughed. Pam explained that staff who works a minimum of 30 hours per week is provided with insurance. She said that the insurance is provided to all staff at no costs, but dependent coverage is paid at 50%.

Jim Duffy motioned to continue insurance payments to those staff that are furloughed through the month of November. Motion was seconded by Rick Ketchum and carried.

Allow Staff to Continue Accruing Seniority and PHOs

Members then discussed the recommendation to allow those staff that are furloughed to continue accruing seniority and PHOs. Robert Albrecht motioned to table this action until the October 28, 2013 Board Meeting. Motion was seconded and carried.

Kathy Day stated that the worst case scenario occurs and all staff other than “essential” staff identified earlier in the meeting would be furloughed then a recommendation will be made to close the Mt. Carroll and Princeton offices since they are not opened on a daily basis. She continued by saying that some staff would be relocated to other offices to ensure that they would be opened. It was stated that closing an office does not really help since operational costs will continue whether the office is opened or not. After discussion, members concurred that the Executive Directors are aware what needs to be done for cost saving measures. Kevin Reibel motioned to allow Pam and Kathy to make the final decision regarding the closing of the Mt. Carroll and Princeton Offices as well as the realigning of staff should it be needed. Motion was seconded by Chuck Phillips and carried.

Support Recommendations for Reduction in Client Services

Kathy Day told members that new enrollments were suspended for October. She said that if the shutdown goes past October a recommendation to suspend support services payments to our customers is being proposed. Members discussed the impact this reduction would have on the customers and recommended that they be given notification ahead of time. Discussion also included providing the customers with other forms of transportation. Pam said that during the first quarter of last Program Year

transportation allowances was suspended, however, it was made up to them by paying a higher rate during second quarter. Kevin Reibel motioned to suspend supportive services for November 2013, if necessary. William Holmes seconded the motion. Motion carried.

In addition to curtailing staff travel, purchasing supplies, etc., Kathy stated that the hiring for CFO Services, IT and MIP Training could be delayed. After discussion, members agreed to discuss these issues at the October 28, 2013 Board Meeting.

Support Recommendations for Utilizing Other Funding

Kathy told members that although she talked about utilizing other WIA funding, we are still required to spend 80% of the Adult and Dislocated Workers funds and the 40% direct training costs. Kathy told members that if we don't reach our 80% spending/obligations requirement or our 40% direct training requirement we may need to return some money. However, by making some of the adjustments we hope to avoid this situation. Kathy noted that the 40% direct training requirement is a State policy and there is a possibility that they may waive that requirement due to the extremely unusual circumstances.

Consider/Approve Recommendations from DCEO

Kathy provided members with a brief overview of the conference call that she and Pam had with DCEO this week.

Kathy Enbom asked what types of tasks staff would be doing for the Trade customers. Kathy Day replied that no customer will be turned away. She said that staff will be conducting job search, resume writing, workshops, etc. Kathy said that the focus will be on getting these customers employed.

Public Comments

None

Adjournment

With there being no further business, Robert Albrecht motioned to adjourn. Motion was seconded by Jim Duffy and carried. Meeting adjourned at 7:55 p.m.

Jo Ann Johnson

Approved by:



Lisa Lynch
Secretary