

WORKFORCE ARIZONA COUNCIL – EXECUTIVE COMMITTEE MINUTES *DRAFT*

Tuesday, July 28, 2020
2:30 p.m.

Members Present

Dawn Grove – Chair - Karsten Manufacturing
Mark Gaspers – Boeing
Supervisor Bill Gates – Maricopa County Board of Supervisors
David Martin - Arizona Chapter of the Associated General Contractors

Members Absent

John Walters – Liberty Mutual

1. Call to Order

Dawn Grove, Committee Chair, called the Executive Committee meeting to order at 2:32 p.m. Quorum was present.

2. Welcome and Meeting Logistics

Committee Chair Dawn Grove provided a welcome to Executive Committee members and guests. She explained that the purpose of the special meeting was to address the local boards that have not timely completed the items required to come into compliance with the U.S. DOL audit and be recertified, and to identify next steps to ensure compliance. She noted the overarching purpose to preserve WIOA funding for the people they serve.

3. Call to the Public

Joel Millman, Pinal County Workforce Board Director, asked that formal notification of document approval be sent to the local boards for recordkeeping.

4. Compliance Next Steps; USDOL Audit and Local Board Recertification

Nancy Meeden, Workforce Policy Manager, explained that three local boards do not appear on track to meet required items for compliance by the August 1, 2020 deadline and risk losing their ability to receive WIOA funds. DES suggests that the State merge its DES compliance process to clear the U.S. DOL audit findings with the Workforce Arizona Council's local board recertification compliance process to streamline the efforts. Nancy explained that a letter outlining the required areas of compliance will be sent to the local boards who still have outstanding items to complete. Those local boards are currently: Maricopa County, Santa Cruz County and Nineteen Tribal Nations. The letter will request that the local boards submit a corrective action plan to DES by September 1st and have all compliant documentation submitted by November 1st for final approval in order to prevent imminent decertification.

Nancy Meeden stated that DES is drafting policy language to clarify the process that will be followed if any of the three local areas currently out of compliance are unable to comply within the timeline and are considered to have substantially violated the federal regulations. She explained that this draft language will be posted for public comment.

David Martin explained that the Performance Excellence Committee has been monitoring the local board and audit compliance efforts for quite some time and feels that the Committee has been patient with the local boards and generous with the deadlines that have been set by the Committee. The Committee has their next Committee meeting scheduled for August 13th. He explained that at their last meeting they asked DES for information on their role in the decertification process. Nancy Meeden indicated this would be provided to the Committee at the August 13th meeting.

Chair Grove asked Nancy to walk through the items that each local board still has outstanding. Nancy gave a high level overview for each of the following local areas:

Nineteen Tribal Nations (NTN):

- Board Membership
- Fiscal Agent
- Shared Governance Agreement
- Conflict of Interest
- Sunshine Provisions

Maricopa:

- Shared Governance Agreement
- Conflict of Interest
- Service Provider Contracts

Santa Cruz:

- Shared Governance Agreement
- Conflict of Interest
- One-Stop Operator

Chair Grove asked if a representative of each Board was available to discuss their efforts. Maricopa County Chair, Mark Lashinske, explained that the Board had an agreement that met compliance requirements, but it was later not agreed to by one of the parties. They have been working with the County to get a Shared Governance Agreement that both parties can agree to, but have not been able to do so up to this point. He explained that they have recently received several new board members which takes time to get them up to speed on all the requirements so they feel comfortable voting on the items. Supervisor Gates explained that it is a priority of the County to get these items completed and agreed there have been challenges with new board membership.

Chair Grove asked DES and each local board how the Council can assist. After discussion, Chair Grove asked staff to promptly coordinate a meeting of all necessary representatives, including DES, the Performance Excellence Committee chairman, Maricopa County executive director and Maricopa County board chair with legal counsel as requested and others as needed, to discuss options and next steps for Maricopa County.

Gabe Loyola, representing Santa Cruz, stated that workforce boards are not legal entities which makes it difficult to implement the federal requirements. He explained the changes in staff roles and the challenges surrounding the layers that are required to meet the firewall requirements, but reported positive news that Santa Cruz has recently taken steps to send out an RFP to identify a One-Stop Operator and address conflict of interest issues. He emphasized the need to move beyond compliance and serve the community.

Nancy Meeden stated that DES, WIOA representatives and the tribal liaison have met with tribal leadership to explain the requirements and what the NTN need to develop to be in compliance.

David Martin reiterated that his Committee would like clarification from DES on their role in the decertification process vis-à-vis the Council's role, so they can give the necessary guidance and direction. He expressed his understanding that the members of the Performance Excellence Committee may be hesitant to extend the timeline to the November 1st date that DES suggested, since the Committee has been very fair in working with the local boards up to this point. He will have the Committee discuss it at their next meeting on August 13th to gauge their temperament for the suggested timeline extension.

5. Adjournment

The meeting adjourned at 3:36 p.m.