



## Maricopa County Workforce Development Board – Audit Workgroup Meeting Minutes

Monday, August 12, 2019 at 8:30 a.m.

Modern Industries

3001 E. Air Lane Phoenix, AZ 85034 (Building Marked: 404 3001 E. Airline)

WebEx: <https://mcwdb-1095-9b71.my.webex.com/meet/mcwdb>

Phone: +1-510-338-9438; Access Code/Meeting ID: 625 125 871

**Members Present:** Mark Lashinske, Drew Thorpe, Gregg Ghelfi, Lee Ann Bohn, Vanessa Andersen

**Members Absent:** n/a

**Guest/Staff Present:** Karen Nelson Hunter, Rachael Tashbook, Patricia Wallace, Isabel Creasman, Nancy Avina

### **Call to Order/Welcome/Introductions**

Meeting was called to order by Audit workgroup lead, Mark Lashinske, at 8:33a.m. Brief remarks were given by Mr. Lashinske including introductions.

### **Roll Call**

WDB Liaison, Nancy Avina, took roll. Quorum of the workgroup was present.

### **Review the Purpose of the Workgroup and Discuss the Task at Hand**

Chairman of the Board, Drew Thorpe, provided background comments on the task at hand and the purpose of the creation of the workgroup. The Audit workgroup was created due to a Department of Labor (DOL) audit that showed findings for all local areas. The state agency DES is working on assisting to identify potential conflicts and how to resolve them.

### **Review WIOA Duties and Roles of the Workforce Development Board and Chief Elected Officials**

Executive Director, Patricia Wallace, reviewed a presentation schematic on the workforce system workings and briefly touched upon the roles and responsibilities of each WIOA party.

### **\*DOL Audit Report Review and Discussion**

Lead, Mark Lashinske commented on process and approach on how to tackle the task. The workgroup reviewed the DOL audit report, page by page to review, discuss, clarify and agree on the Maricopa County issues and concerns. In the review, discussion was held on:

- **Pg. 6 – 7:** Concern was expressed on list comprehensiveness of “some examples of non-compliance” statement. Does Maricopa County still have a risk?
- **Pg. 8:** 2 options are available for delineating roles and responsibilities and ensuring firewalls (1) through the shared governance agreement all in one document or (2) having separate agreements and it is the option of the board. Most local areas have one document.
- **Pg. 13:** Clarification if agreement on Pg. 13 is within the board’s scope. State indicated it is and will be looking for the agreement to submit to DOL. Audit report indicated is as AI (action item).
- **Pg.15:** Clarification on Infrastructure Funding Agreement (IFA); not all partners are contributing to One Stop Infrastructure costs. Brief history was provided; action is needed to resolve.
- Clarification on who is responsible for the funds and allocation. Discussion indicated the board is responsible.
- Importance of setting priorities for November deadline.
- Clarification on who the sub-recipient is. Sub-recipients are the local areas.

Lead, Mr. Lashinske, provided a handout on items Audit group needs to review. Open discussion held on review of the DOL audit report. Members shared relying on State representative Karen Nelson-Hunter for assistance, that

updating the Shared Governance Agreement should remedy most findings, structural and board functions will need to be looked at. State representative recognized it will be a process and expressed willingness to review draft documents and provide feedback before final approval. Intent is develop process(s) together that can be followed expresses.

**Actions resulting out of discussion:**

1. Provided a copy of the State’s Conflict of Interest policy to the workgroup.
2. Create a meeting in the next two months to work through the IFA (State indicated IFA is not part of the board certification and not necessarily due in November).
3. Karen Nelson-Hunter will reach out to DOL to clarify how relationship/partnership is defined, is there an administrative entity in WIOA.
4. Karen Nelson-Hunter to get contracts for Yavapai, Yuma and Cochise regarding the fiscal agent.

**Determine Next Steps/Action Items**

Lead, Mr. Lashinske, let the workgroup through a white board mapping process activity of how the system should work (future state). All workgroup members provided input, discussion was held throughout. Clarification resulting from activity, included:

- Fiscal agent does not have to be Maricopa County, it may be a non-profit.
- Board of Supervisors and the Workforce Development Board are equal partners. Board of Supervisors appoint the Workforce Development Board.
- Fiscal agent roles and responsibilities.

Discussion held on structural options. Discussion on priority to be around conflict of interest and firewalls. Work on developing a few scenarios and bring back to the workgroup for discussion. Clarification on the service provider and future state.

**Additional Action Items:**

1. Karen Nelson Hunter to follow up with Workforce Arizona Council Manager, Ashley Wilhelm to determine what is needed regarding by November to demonstrate resolution of Conflict of Interest, firewalls, board staff, compliance, fiscal and SGA.
2. Request for clarification from DES of level at which a sufficient structural firewall exists.
- 3.. WDB staff to provide up to three plans on options for structure solutions with appropriate firewalls.
4. Schedule a follow up meeting to discuss structure options within two weeks.
5. Submit to Board of Supervisors recategorize of non-profit board member from Business representative to Workforce representative.

Brief closing remarks added by Chairman of the Board, Drew Thorpe.

**Call to the Public**

No public comment.

**Adjournment**

Workgroup Lead, Mr. Lashinske adjourned the meeting at 10:47 a.m.

*\*For additional information, contact Nancy Avina, Board Liaison at [nancy.avina@maricopa.gov](mailto:nancy.avina@maricopa.gov).*