



**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
EXECUTIVE COMMITTEE MEETING
THURSDAY, October 9, 2014
8:15 A.M.**

South Florida Workforce Investment Board
Headquarters 7300 Corporate Center Drive
2nd Floor
Miami, Florida 33126

AGENDA

1. Call to Order and Introductions
2. Approval of Meeting Minutes
 - A. October 9, 2014
3. Information – October 2014 Financial Report
4. Information – Bank Reconciliations for October and November 2014
5. Information – Monthly Job Placement Report for November & 7 Month Summary
6. Recommendation as to Approval to Support the creation of Statewide Business and Workforce Competitive Fund.
7. Recommendation as to Approval to Adopt the Re-alignment of the Governance Structure of the SFWIB.



SFWIB EXECUTIVE COMMITTEE

DATE: December 11, 2014

AGENDA ITEM NUMBER: 2A

MEETING MINUTES

October 9, 2014 at 9:00 A.M

CareerSource South Florida Headquarters

7300 Corporate Center Drive, Suite 204

Miami, FL 33126

<p>EXECUTIVE COMMITTEE MEMBERS IN ATTENDANCE</p> <ol style="list-style-type: none"> 1. Piedra, Obdulio, <i>Chairman</i> 2. Brown, Clarence 3. Fils-Aime, Sr., Daniel 4. Perez, Andy 5. Gibson, Charles A. 	<p>EXECUTIVE COMMITTEE MEMBERS NOT IN ATTENDANCE</p> <ol style="list-style-type: none"> 6. West, Alvin <p>*****</p> <p>SFWIB STAFF</p> <p>Beasley, Rick Alonso, Gustavo Garcia, Christine Jean-Baptiste, Antoinette Kavehersi, Cheri Smity, Marian</p>	<p>AUDIENCE:</p> <p>Barroso, Lupe – <i>Cuban National Council (CNC)</i></p> <p>Picardo, Jorge – <i>Youth Co-op, Inc.</i></p>
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Agenda items are displayed in the order they were discussed.

1. Call to Order and Introductions

Chairman Alvin West called the meeting to order at 9:25am, asked all those present introduce themselves, and noted into record that a quorum had been achieved.

2. A. Approval of August 21, 2014 Meeting Minutes

Mr. Andy Perez moved the approval of August 21, 2014 meeting minutes. Motion seconded by Mr. Clarence Brown; Motion Passed Unanimously

3. Information – July 2014 Financial Report

Chairman Piedra introduced the item and Executive Director Rick Beasley further discussed. SFWIB's Assistant Director of Finance, Mr. Gus Alonso further reviewed with the Committee the accompanying notes to the financial report (unaudited) for the period of July 1, 2014 to August 31, 2014:

Budget Adjustments:

Revenue: no revenue adjustments this month

Expenses:

- (\$347,189) transfer from Youth Providers to Training and Support Services

Explanation of Significant Variances:

1. Training and Support Services Expenditures were low 1.5% versus 16.7%
2. Other Programs and Contracts were recently approved on August 21, 2014

Chairman Piedra requested an update on the current auditing process conducted by BCA Watson Rice, LLP. Mr. Alonso responded that the financial statements were being finalized for submission to the Auditors. He also gave an update on policies and procedures that must be reviewed by the auditors as well.

Mr. Perez requested staff provide a report showing list of training vendors and programs that were removed since the implementation of the new ITA policy.

4. Information – Bank Reconciliation for July and August 2014

Chairman Piedra introduced the item and Mr. Alonso further presented the bank reconciliation for the above months. He and Mr. Beasley briefly commented on the success of the recently launched Automated Clearing House (ACH) system.

[Mr. Charles Gibson arrived]

5. Recommendation as to Approval to Accept PY 14-15 Refugee Employment Program Funds and Allocate the Funds to Existing Service Providers

Chairman Piedra introduced the item and Mr. Beasley further discussed staff's request for the Executive Committee's approval to recommend to the Board to accept PY 14-15 in refugee employment program funds and allocate the funds to existing service providers.

Mr. Clarence Brown moved the approval to accept PY 14-15 Refugee Employment Program Funds and Allocate the Funds to Existing Service Providers. Motion seconded by Mr. Andy Perez; Further Discussion(s):

Chairman Piedra requested a status on SFWIB's former Career Center provider Unidad of Miami Beach. Mr. Beasley explained that Unidad is no longer the provider for Miami Beach Career Center as a result of a recent failed bid submission for youth service provider contracts. Mr. Beasley however noted that Unidad is currently in its final year of contract with SFWIB for refugee services. He further advised the Committee of an issue with the current lease agreement at that particular center, nonetheless, assuring that the lease approval with the City of Miami Beach will be finalized very soon.

Mr. Piedra recommended staff seek legal counsel to potentially implement a "cross default" provision whereby if a provider fails one program, automatically disqualifies the provider from applying for any other available programs in the agency. Mr. Beasley explained the challenges with implementing such provision. He later gave an update on SFWIB's current contract with Iron Mountain, Inc. (Iron Mountain).

Mr. Perez requested additional information on how CareerSource South Florida's (CSSF) files are being submitted to Iron Mountain, as he wanted to know if files are being submitted electronically. Mr. Beasley explained that the current process does not entail electronic submissions; however, CSSF will soon launch a new paperless scanning process. Mr. Perez asked whether the new process will include scanning old files. Mr. Beasley responded that staff will try to scan as much of the old files as possible, in accordance with County and State purging and filing procedures.

Mr. Daniel Fils-Aime inquired about current operation at the Miami Beach career center. Mr. Beasley explained that there are two mobile units stationed near the center to avoid complete disruption of services. Mr. Fils-Aime inquired about the legal processes for lease agreements. Mr. Beasley explained that Miami-Dade County Attorney's office is handling all SFWIB's/CSSF's legal matters.

Motion Passed with Unanimous Consent

6. Recommendation as to Approval to Accept and Allocate UC Supplemental Funds

Chairman Piedra introduced the item and Mr. Beasley further read into record staff's recommendation for the Executive Committee's approval to recommend to the Board to accept and allocate \$266,093 in Unemployment Compensation (UC) Program Funds.

Chairman Piedra asked whether if funds are disbursed directly to CSSF's current providers. Mr. Beasley responded, "Yes."

Mr. Brown moved the approval to accept and allocate \$266,093 in Unemployment Compensation Program Funds. Motion seconded by Mr. Andy Perez; **Motion Passed Unanimously**

7. Recommendation a to Approval to Adjust the Carry-forward Budget for the purchase of Software license for Data Management System and Career Center Kiosks

Chairman Piedra introduced the item. Mr. Beasley further discussed staff's recommendation for the Committee's approval to recommend to the Board the implementation of a software license for Data Management System and Career Center Kiosks.

Mr. Perez inquired about the location of the kiosks. Mr. Beasley responded that they would be placed at CSSF's career centers throughout Miami-Dade and Monroe counties. Mr. Perez asked whether the new kiosks have also been implemented at other Regional Workforce Board (RWB) career centers. Mr. Beasley responded, "Yes" and listed the various RWBs that have already installed kiosks.

Chairman Piedra requested staff verify the stated amount of \$366,570 in the agenda item for the purchase of software license for Atlas Data Management System and fifty seven (57) kiosks. Mr. Beasley verified that the amount is correct.

Mr. Perez asked whether kiosks would be installed at local libraries. Mr. Beasley stated not at this time.

Chairman Piedra asked whether the kiosks will be placed at SFWIB's access points and SFWIB Programs Manager Juan Hernandez explained that they would be first launched at the career centers to test how successful they are before expanding to access points and libraries. Mr. Perez asked how many kiosks would be installed at each career center. Mr. Hernandez explained that it will be based on each center's current amount of caseloads and populations.

Chairman Piedra requested that a kiosk installation timeline be provided to the Committee at its next meeting. He also requested staff take pictures of the new kiosks for CareerSource Source South Florida's newsletters.

Mr. Brown inquired about the un-expended budgeted funds in the amount of \$202,921 versus the adjusted shown as \$203,292 in the background information of the agenda item. Staff explained the amount shown of \$202,921 is a scrivener's error, which should reflect a total of \$203,292. Mr. Brown requested this information be corrected.

Mr. Clarence Brown moved the approval to adjust the carry-forward budget for the purchase of software license for Data Management System and Career Center Kiosks. Motion seconded by Mr. Charles Gibson; **Motion Passed Unanimously**

8. Recommendation as to Approval to allocate \$80,316.52 from the budget reserve to operate the Miami Beach Center

Chairman Piedra introduced the item and Mr. Beasley further discussed staff's recommendation for the Committee's approval to recommend to the Board to allocate \$90,316.52 from the PY14-15 budget reserve to operate the Miami Beach center.

Mr. Andy Perez moved the approval to allocate \$80,316.52 from the budget reserve to operate the Miami Beach Center. Motion seconded by Mr. Charles Gibson; **Motion Passed Unanimously**

Additional Discussions:

Chairman Piedra briefly introduced the next few added on items. Mr. Beasley further discussed and reviewed with the Committee the following handouts that were distributed to members:

- DJPOE Scorecard Report dated 7/1/2014 to 10/9/2014
- CSSF Balanced Scorecard Report 7/1/2014 to 9/30/2014
- Monthly Job Placement Report July 2014

Workforce Investment Opportunity Act (WIOA):

Mr. Beasley briefly discussed the new legislation.

Strategic Plan Review:

Chairman Piedra went on to discuss the strategic plan review handout and each member received a copy.

Mr. Perez briefly discussed the success of Region 15 (Tampa CareerSource), which ranked #1 in July 2014 monthly job placement report. Mr. Beasley also responded that one of the key differences between this region (23) and region 15 is the fact that region 15 is its own service provider, which provides direct services to its clients.

Both Mr. Gibson and Mr. Perez inquired about cost per placement and Mr. Beasley explained that this region's cost per placement is much lower than other regions.

Mr. Perez requested that Targeted Occupation List be one of the main topics discussed at the next strategic planning session.

There was continued discussion regarding WIOA and budgeting a facilitator for the next Strategic Planning Session. Mr. Beasley recommended Mr. Greg Newton as the facilitator.

Topics for Discussion at the Next Strategic Planning Session:

- Targeted Occupation List (recommended by Mr. Perez)
- WIOA (recommended by Chairman Piedra and Mr. Beasley)
- Greg Newton as potential facilitator (recommended by Mr. Beasley)
- Expansion of Small/Medium Size Business Services (How do we help with Job Growth?) (recommended by Mr. Perez)
- Capitalization of training funds (recommended by Mr. Perez)

Chairman Piedra requested staff begin identifying potential dates and locations for the next strategic planning session in order to give board members ample time to plan accordingly. He also recommended the next session be no longer than four hours (half-a-day). Mr. Perez recommended having members break-out into teams during the session. Mr. Beasley recommended that WIOA be first discussed at a future board meeting prior to discussing it at the next strategic planning session.

Chairman Piedra also recommended staff reach out to board member, Dr. Montoya regarding having the next strategic planning session held at Miami Dade College Inter-American Campus.

Chairman Piedra gave a brief update on the Committee Reassignment surveys. He mentioned that the Majority of members recommended that the Board continue to hold its meetings on the third Thursdays of every other month.

Chairman Piedra later asked each member of the Executive Committee whether they would like to continue with their current seats as either chair or vice-chair of their individual committees.

- Youth Council Chairman, Clarence Brown requested an election be made for any current council members interested in the chairman and vice chairman seats. However, he stated that he would like to remain serving as a member of the Youth Council.
- WSI Chairman, Daniel Fils-Aime said that he wishes to continue his tenure as Chairman and recommended an election be made for the vice-chairperson seat, which is currently vacant.
- EDIS Committee Chairman, Andy Perez also wishes to continue his tenure as Chairman and recommended an election be made for the vice-chairperson seat, which is also currently vacant.
- Chairman Piedra appointed Mr. Gibson as Chairman of the Audit Committee and an election will be made for a new vice-chairman.

Mr. Gibson, who currently serves as President of the Board of Directors of Theodore Roosevelt Gibson Memorial Fund, Inc., announced that Executive Director Rick Beasley is being honored during the 32nd Annual Unity Dinner Celebration on October 19, 2014.

Chairman Piedra noted that moving forward board education packages will be included in all board member's binders, which will include a list of acronyms of words frequently used by this agency, and a current board meeting calendar.

Prior to meeting adjournment, Mr. Fils-Aime invited all to attend the 7th Annual Celebration of the Haitian Monument statue located in Franklin Square - Savannah, GA.

Meeting adjourned at 9:23am.



SFWIB EXECUTIVE COMMITTEE

DATE: 12/11/2014

AGENDA ITEM NUMBER: 3

AGENDA ITEM SUBJECT: FINANCIAL STATEMENTS

AGENDA ITEM TYPE: INFORMATION

RECOMMENDATION: N/A

STRATEGIC GOAL: Strong, Timely Reporting Standards for End User Customers and Providers of Services

STRATEGIC PROJECT: Raise the Bar/ One-Stop Performance Consistency

BACKGROUND:

Per the amended SFWIB By-Laws approved at the Board's January 5, 2012 meeting, the Executive Committee subsumes the role of the Finance Committee. Accordingly, the attached un-audited financial report for the month of October 2014 are being presented to the Executive Committee.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT



SFWIB EXECUTIVE COMMITTEE

DATE: 12/11/2014

AGENDA ITEM NUMBER: 4

AGENDA ITEM SUBJECT: BANK RECONCILIATION

AGENDA ITEM TYPE: INFORMATION

RECOMMENDATION: N/A

STRATEGIC GOAL: Strong, Timely Reporting Standards for End User Customers and Providers of Services

STRATEGIC PROJECT: Raise the Bar/ One-Stop Performance Consistency

BACKGROUND:

Based on the Internal Control Procedures recommended by the State, the Finance Committee at its April 2, 2009, meeting requested a monthly cash reconciliation report be provided to it. Per the amended SFWIB By-Laws approved at the Board's January 5, 2012, meeting, the Executive Committee subsumes the role of the Finance Committee. Accordingly, the reconciliation report for October and November 2014 is being presented to the Executive Committee.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

**South Florida Workforce Investment Board
Reconcile Cash Accounts**

**Reconciliation Date: 10/31/14
Cash Account: 1102 Cash -General Operating Account**

	<u>Amount (\$)</u>	<u>Number of Transactions</u>
Beginning Book Balance	840,264.05	
Less Checks/Vouchers Drawn	(5,552,081.23)	293
Plus Deposits		
Checks Voided	0.00	
Deposits	6,018,998.65	64
Plus Other Items	(180.79)	1
Unreconciled Items:		
Ending Book Balance	1,307,000.68	
Bank Balance	2,697,183.03	
Less Checks Outstanding	(1,390,182.35)	52
Other Items:		N/A
Plus Deposits In Transit		
Transfer to operating		N/A
Unreconciled Items:		N/A
Reconciled Bank Balance	1,307,000.68	
Unreconciled difference	0.00	

Prepared by: Odell J. Ford Jr. 11/5/14
Odell J. Ford Jr.

Approved by: [Signature] 11/6/14

**South Florida Workforce Investment Board
Reconcile Cash Accounts**

**Reconciliation Date: 11/30/14
Cash Account: 1102 Cash -General Operating Account**

	<u>Amount (\$)</u>	<u>Number of Transactions</u>
Beginning Book Balance	1,307,000.68	
Less Checks/Vouchers Drawn	(2,213,669.45)	267
Plus Deposits		
Checks Voided	0.00	
Deposits	2,717,177.05	31
Plus Other Items	(157.46)	1
Unreconciled Items:		
Ending Book Balance	1,810,350.82	
Bank Balance	2,156,669.88	
Less Checks Outstanding	(346,319.06)	50
Other Items:		N/A
Plus Deposits In Transit		
Transfer to operating		N/A
Unreconciled Items:		N/A
Reconciled Bank Balance	1,810,350.82	
Unreconciled difference	0.00	

Prepared by: Odell J. Ford Jr. 12/3/14
Odell J. Ford Jr.

Approved by: [Signature] 12/3/14



SFWIB EXECUTIVE COMMITTEE

DATE: 12/11/2014

AGENDA ITEM NUMBER: 5

AGENDA ITEM SUBJECT: DEO MONTHLY JOB PLACEMENT REPORT

AGENDA ITEM TYPE: INFORMATION

RECOMMENDATION: N/A

STRATEGIC GOAL: Strong, Timely Reporting Standards for End User Customers and Providers of Services

STRATEGIC PROJECT: Raise the Bar/ One-Stop Performance Consistency

BACKGROUND:

The Florida Department of Economic Opportunity release a monthly job placement report. The report indicates the number of placements of jobseekers for each regional workforce board within the state, as well as, a summary for the state. Additionally, the report measure the efficieny of the placements compared to the percentage of funding allocation for each regional workforce board.

Based on the November Monthly Job Placement Report, the South Florida Workforce Investment Board placed 6,027 jobseekers into jobs, which is a 5 percent increase over November 2013. is the only workforce region in Florida to increase the number of job seekers placed into employment in the month of November.

A Statewide total of 33,975 job seekers obtained employment in the month. CSSF accounted for 17.4 percent of the total. CSSF has increased job seekers getting employed by 24.4 percent. From May through November 2014, a total 43,534 people have been placed into jobs, compared to 34,987 for the same period from the prior year. CSSF places an average of 6,219 people into jobs per month. As a result, the agency has the largest job gain, as well as, the largest percentage increase in job gains in the state of Florida.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

**MONTHLY JOB PLACEMENT REPORT
NOVEMBER 2014**

MONTHLY COMPOSITE RANKING	REGION	November-13		November-14			% CHANGE OF PLACEMENTS (10/13 vs 10/14)	JOB PLACEMENT TO FUNDING %	COMPOSIT SCORE = ((I*2)+(H*2))/4
		TOTAL PLACEMENTS	% of Indv. Placed into Jobs	TOTAL PLACEMENTS	% of WP Funding Allocation	% of Indv. Placed into Jobs			
A	B	C	E	F	G	H	I	J	K
1	23	5,738	13.6%	6,027	14.46%	17.7%	5.0%	122.7%	63.9%
2	9	595	1.4%	580	1.42%	1.7%	-2.5%	120.2%	58.8%
3	6	318	0.8%	303	0.54%	0.9%	-4.7%	165.2%	80.2%
4	13	1,302	3.1%	1,230	2.95%	3.6%	-5.5%	122.7%	58.6%
5	19	592	1.4%	524	0.76%	1.5%	-11.5%	202.9%	95.7%
6	12	3,167	7.5%	2,756	12.47%	8.1%	-13.0%	65.1%	26.0%
7	14	2,328	5.5%	2,021	4.77%	5.9%	-13.2%	124.7%	55.8%
8	24	2,661	6.3%	2,266	5.75%	6.7%	-14.8%	116.0%	50.6%
9	5	637	1.5%	542	1.87%	1.6%	-14.9%	85.3%	35.2%
10	22	3,288	7.8%	2,784	10.27%	8.2%	-15.3%	79.8%	32.2%
11	3	245	0.6%	197	0.52%	0.6%	-19.6%	111.5%	46.0%
12	7	272	0.6%	212	0.53%	0.6%	-22.1%	117.7%	47.8%
13	10	1,051	2.5%	818	2.36%	2.4%	-22.2%	102.0%	39.9%
14	1	790	1.9%	589	2.26%	1.7%	-25.4%	76.7%	25.6%
15	2	514	1.2%	383	1.27%	1.1%	-25.5%	88.8%	31.6%
16	16	1,465	3.5%	1,082	2.92%	3.2%	-26.1%	109.1%	41.5%
17	11	1,859	4.4%	1,335	3.18%	3.9%	-28.2%	123.6%	47.7%
18	15	4,518	10.7%	3,233	6.62%	9.5%	-28.4%	143.7%	57.7%
19	8	2,366	5.6%	1,638	7.75%	4.8%	-30.8%	62.2%	15.7%
20	17	1,427	3.4%	973	3.07%	2.9%	-31.8%	93.3%	30.7%
21	21	2,854	6.8%	1,928	6.76%	5.7%	-32.4%	83.9%	25.8%
22	18	1,661	3.9%	1,035	3.29%	3.0%	-37.7%	92.6%	27.5%
23	20	1,705	4.0%	1,027	3.11%	3.0%	-39.8%	97.2%	28.7%
24	4	843	2.0%	492	1.09%	1.4%	-41.6%	132.9%	45.6%
STW		42,196	100.0%	33,975	100.0%	100.0%	-19.5%	100.0%	40.3%

**MONTHLY JOB PLACEMENT REPORT
MAY 2014 - NOVEMBER 2014**

MONTHLY COMPOSITE RANKING	REGION	7 MONTH SUMMARY 2013		7 MONTH SUMMARY 2014			% CHANGE OF PLACEMENTS	JOB PLACEMENT TO FUNDING %	COMPOSIT SCORE = ((I*2)+(J*2))/4
		TOTAL PLACEMENTS	% of Indv. Placed into Jobs	TOTAL PLACEMENTS	% of WP Funding Allocation	% of Indv. Placed into Jobs			
A	B	C	E	F	G	H	I	J	K
1	23	34,987	12.1%	43,534	14.46%	16.1%	24.4%	111.2%	67.8%
2	5	5,242	1.8%	5,839	1.87%	2.2%	11.4%	115.4%	63.4%
3	22	21,647	7.5%	22,106	10.27%	8.2%	2.1%	79.5%	40.8%
4	19	2,944	1.0%	2,954	0.76%	1.1%	0.3%	143.6%	72.0%
5	7	1,899	0.7%	1,859	0.53%	0.7%	-2.1%	129.6%	63.7%
6	14	18,256	6.3%	17,635	4.77%	6.5%	-3.4%	136.6%	66.6%
7	9	5,276	1.8%	5,073	1.42%	1.9%	-3.8%	132.0%	64.1%
8	15	30,970	10.7%	29,353	6.62%	10.8%	-5.2%	163.8%	79.3%
9	3	2,089	0.7%	1,950	0.52%	0.7%	-6.7%	138.6%	66.0%
10	6	2,443	0.8%	2,263	0.54%	0.8%	-7.4%	154.8%	73.7%
11	13	11,202	3.9%	10,360	2.95%	3.8%	-7.5%	129.8%	61.1%
12	10	8,043	2.8%	7,338	2.36%	2.7%	-8.8%	114.9%	53.1%
13	11	10,884	3.8%	9,907	3.18%	3.7%	-9.0%	115.1%	53.1%
14	12	24,974	8.7%	22,265	12.47%	8.2%	-10.8%	66.0%	27.6%
15	20	10,629	3.7%	9,465	3.11%	3.5%	-11.0%	112.4%	50.7%
16	8	17,702	6.1%	15,532	7.75%	5.7%	-12.3%	74.0%	30.9%
17	24	13,667	4.7%	11,873	5.75%	4.4%	-13.1%	76.3%	31.6%
18	2	4,266	1.5%	3,684	1.27%	1.4%	-13.6%	107.2%	46.8%
19	16	11,167	3.9%	9,407	2.92%	3.5%	-15.8%	119.0%	51.6%
20	17	11,757	4.1%	9,251	3.07%	3.4%	-21.3%	111.3%	45.0%
21	4	5,456	1.9%	4,241	1.09%	1.6%	-22.3%	143.8%	60.7%
22	1	6,785	2.4%	5,260	2.26%	1.9%	-22.5%	86.0%	31.8%
23	21	16,701	5.8%	12,586	6.76%	4.7%	-24.6%	68.8%	22.1%
24	18	9,276	3.2%	6,913	3.29%	2.6%	-25.5%	77.6%	26.1%
STW		288,262	100.0%	270,648	100.0%	100.0%	-6.1%	100.0%	46.9%



SFWIB EXECUTIVE COMMITTEE

DATE: 12/11/2014

AGENDA ITEM NUMBER: 6

AGENDA ITEM SUBJECT: BUSINESS & WORKFORCE COMPETITIVE FUND

AGENDA ITEM TYPE: APPROVAL

RECOMMENDATION: SFWIB staff recommend to the Executive Committee to recommend to the board to support the creation of statewide Business and Workforce Competitive Fund.

STRATEGIC GOAL: Strong, Timely Reporting Standards for End User Customers and Providers of Services

STRATEGIC PROJECT: Raise the Bar/ One-Stop Performance Consistency

BACKGROUND:

The creation of Business and Workforce Competitiveness fund is to enhance economic growth of businesses in the State of Florida by addressing the gap that currently exists between the needs of the business community and the employment needs of the State.

Legislation is being proposed to create a Florida Business and Workforce Competitiveness Fund to assist existing businesses in meeting the demands of the ever-advancing marketplace and assist job seekers obtain gainful employment. The focus will be on building the talent supply by reducing unemployment, development of career opportunities, and local economic development and business retention efforts.

The Business and Workforce Competitiveness Fund will be distributed to Florida's twenty-four Regional Workforce Boards and used to incentivize Florida businesses that create new jobs and hire unemployed Florida workers.

The Florida Business and Workforce Competitiveness Fund will not impose an additional burden on Florida employers.

- An assessment of 1/100th of one percent (\$0.70 per employee) will be established on only those contributory employers liable for payment of unemployment compensation taxes that have a tax rate below the maximum rate of 5.4%. The assessment will go into the Florida Business and Workforce Competitiveness Fund. To ensure this proposal is cost-neutral to employers, there will be a corresponding decrease in the amount of unemployment compensation taxes for those employers who pay the assessment.

- Florida employers currently pay a state and a federal unemployment compensation payroll tax. Federal law provides that Unemployment Compensation Trust Fund dollars can not be used for training. The balance in Florida's Unemployment Compensation Trust Fund is currently 2.28 billion dollars. For the year ending June 30, 2007 employers paid approximately 958 million dollars into the fund.
- The legislation contains a "trigger-off" mechanism to suspend the assessment for any year in which the balance in the unemployment compensation trust fund triggers in a positive adjustment factor in the computation of employer contribution rates.
- Only those employers who pay the assessment will be eligible for the receipt of a competitive grant under the Florida Business and Workforce Competitiveness Fund.

Since these funds will not be federal job training funds they will not be subject to federal requirements relative to eligibility, thereby allowing needed flexibility and greater responsiveness to Business employment needs.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

A bill to be entitled

Florida Business and Workforce Competitiveness Fund

An act relating to workforce development; creating a new section _____ to Chapter 445 F.S.; establishing the Florida Business and Workforce Competitiveness Fund for the purpose of awarding competitive grants to employers to support the growth of businesses by helping workers acquire new skills or upgrade existing skills; authorizing Regional Workforce Boards to award incentive grants to employers; creating a Florida Business and Workforce Competitiveness Fund in the State Treasury; providing that the revenue generated be deposited in the Florida Business and Workforce Competitiveness Fund; providing that Workforce Florida Inc. shall allocate funds; creating an employment training investment assessment for employers who have an unemployment compensation tax rate below the maximum rate of 5.4%, providing eligibility criteria; providing the terms and conditions of payment; providing conditions under which the assessment would not be in effect; providing for the establishment of eligibility criteria for awarding grants; requiring that the cost of collecting the assessment be paid out of revenue generated through the assessment; amending s. 443.131, F.S.; providing for a reduction in the unemployment compensation contribution rate of employers with a rate below the maximum contribution rate; amending s. 443.131 to provide conditions under which an employer's contribution rate may be rounded to less than 0.1 percent; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section _____ of Chapter 445 is created to read:

() Florida Business and Workforce Competitiveness Fund. –

(1) Establishment. -- The Florida Business and Workforce Competitiveness Fund is created as an additional revenue source to support the growth of Florida businesses by awarding incentive grants to hire unemployment compensation claimants.

(2) Purpose. – The Business and Workforce Competitiveness Fund will be utilized by Regional Workforce Boards as defined in Section 445.007 to award incentive grants to employers to foster economic development by hiring unemployed workers. **The purpose is to provide the training needed to effectively address the changing skill requirements resulting from new technology, retooling, new product lines and new organizational structuring.** Each Regional Workforce Board shall administer the grants, including determining award recipients within funding available to it for that purpose.

(3) The Florida Business and Workforce Competitiveness Fund is created in the State Treasury, to be administered by the Agency for Workforce Innovation.

(4) **CareerSource Florida shall allocate to each Regional workforce board its share of funds available under the Florida Business and Workforce Competitiveness Fund in accordance with procedures established for this purpose.**

(5) The fund is comprised of a quarterly employment and training investment assessment imposed on or after _____ on each employer paying contributions under Section 443.131 F.S. at a rate below the maximum contribution rate of 5.4% as provided in section 443.131 (3) (e) d. as a separate assessment of one-tenth of one per cent of wages paid by the employer as defined in Section 443.1217 F.S.

(6) Only employers who are subject to the contribution method of financing unemployment compensation benefits under Section 443.131 F.S. who are subject to the employment training investment assessment are eligible for award of a grant under this program.

(7) The employment training investment assessment is due at the same time, collected in the same manner, and subject to the same penalties and interest as other contributions assessed under Section 443.131 F.S.

(8) The employment training investment assessment will not be imposed for any year in which the balance in the unemployment compensation trust fund requires the computation of a positive adjustment factor as provided in Section 443.131 (2) (e) c. F.S.

(9) CareerSource Florida shall establish guidelines governing the administration of the Florida Business and Workforce Competitiveness Fund and shall establish criteria to be used by Regional Workforce Boards in evaluating applications for funding.

(10) Administrative costs associated with the collection of the Florida Business and Workforce Competitiveness Fund will be paid out of revenue generated from the assessment. The cost of collection and administration of the Florida Business and Workforce Competitiveness Fund assessment shall be allocated based on a plan approved by the United States Department of Labor (USDOL).

Section 2. A new paragraph (c) is added to subsection 2 of Section 443.131, Florida Statutes, to read:

443.131 Contributions.--

(2) Contribution Rates. –

(c) On and after January 1, 2009 the contribution rate of each employer with an initial or variable rate below the maximum contribution rate of 5.4% provided in section 443.131 (3) (e) d. shall be adjusted to a rate computed by subtracting one-hundredth of one percent from the rate otherwise computed under this section. However, the adjustment provided in this paragraph will not be in effect for any year in which the balance in the unemployment compensation trust fund requires the computation of a positive adjustment factor as provided in section 443.131 (2) (e) c. F.S.

Section 3. Paragraph (e) of subsection (3) of Section 443.131, Florida Statutes is amended to read:

(e) Assignment of variations from the standard rate. - -

1. (modify the last sentence only as follows) An employer's contribution rate may not, **with the exception of the adjustment provided in Section 443.131 (2) (c)** however, be rounded to less than 0.1 percent.

Section 4. This act shall take effect upon becoming a law.

DRAFT STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

Prepared By: Commerce Committee

BILL: SB XXXX

INTRODUCER: For consideration by Commerce Committee

SUBJECT: Workforce Services; Unemployment Compensation

DATE: MM, DD, YYYY

I. Summary:

This Proposed Bill amends portions of the unemployment compensation and workforce statutes related to the minimum unemployment compensation contribution (tax) rate and creation of a Demand Skills Training Fund to meet the occupational skills needs of employers for new hires and incumbent workers.

- Modifies the statutory formula used to compute employer tax rates by amending Section 443.131 (3) (e) to provide that the non-triggered tax base for Florida employers be permanently 0.011% (or \$7.70 per employee annually.) The current minimum non-triggered tax base for Florida employers is .001 (\$7.00 annually)but the minimum tax rate fluctuates based on the balance in the unemployment compensation trust fund.
- The law would be amended to provide that 0.01 percent of the funds (or \$0.70) generated from employers at the 0.011% tax rate would be allocated to the benefit trust fund and .001 to the newly created state to the newly created set-aside Demand Skills Training fund.
- The Demand Skills Training Fund would be distributed to Florida's 24 Regional Workforce Boards and used to train incumbent, underemployed and unemployed workers in the skills/occupations most in demand by Florida's businesses and growing industries.
- Provides a supplemental additional revenue source to support the growth of Florida businesses by helping workers acquire new skills or upgrade existing skills to advance their careers.
- Since these would not be federal job training funds they would not be subject to federal requirements relative to eligibility which would permit needed flexibility.
- Focus is on prevention of unemployment, development of career opportunities and job retention/advancement of current incumbent employees, also supporting local economic development and business retention efforts.
- Provides that the minimal cost of collecting the set-aside tax will be paid out of revenues generated, rather than federal administrative allocations for operating the basic unemployment compensation system....a federal mandate for such supplemental uses of the unemployment compensation tax system.
- Could produce a win/win of a small tax decrease while encouraging unemployed individuals to get training for critical skills needed by business....if the current .012% base rate is lowered by operation of the current statutory solvency formula or legislative amendment, so that .010% will continue to go into the Benefit Trust fund to maintain solvency while .001% becomes available for supplemental targeted training.

- Bill will amend s. 443.131 (3) to modify the minimum tax rate from .010% to .011% specifying that the .001% will fund the Demand Skills Training Fund; and create new Section 443.xxx to establish the Demand Skills Training Fund, direct distribution of revenues to local boards, outline the general purposes for which the funds are to be used to satisfy the job training needs of employers, and to provide that the costs of collecting and administering the Demand Skills Training Fund revenues will be paid out of those revenues.

II. Present Situation:

- Current funding levels from federal and state appropriations are inadequate to serve Florida's workforce development needs; and are likely to continue to be stagnant or reduced, both under the federal Workforce Investment Act (WIA) which currently funds job training/placement, and the Federal Unemployment Act (FUTA) used for employment services and unemployment compensation administration.
- Due to population growth, unmet employer skill needs, a declining pool of trained or readily trainable potential workers, and a commitment to work more closely with economic development partners, the need for workforce services continues to increase.

III. Effect of Proposed Changes:

Section 1 amends s. 443.131(3), F.S., related to the unemployment compensation contributions (tax) requirements on employers, to change the minimum base tax from .010% to .011%, specifying that the .001% will fund the Demand Skills Training Fund

Section 2 creates new Section 443.xxx to establish the Demand Skills Training Fund, direct distribution of revenues to local boards, outline the general purposes for which the funds are to be used to satisfy the job training needs of employers, and to provide that the costs of collecting and administering the Demand Skills Training Fund revenues will be paid out of those revenues.

Currently s. 443.131 consists of highly complex tax provisions for the unemployment compensation system, including coverage requirement, initial and "experience rated" tax rates, rate adjustments for trust fund solvency and other factors, and a minimum rate to be paid by all private employers as a base to be paid at all times, and as the actual rate under optimal conditions of fund solvency and no other adjustments applicable.

Section 4 provides an effective date.

IV. Constitutional Issues:

- A. Municipality/County Mandates Restrictions: None.
- B. Public Records/Open Meetings Issues: None.
- C. Trust Funds Restrictions: None known if Demand Skills Training Fund is established as a subset of the existing, federally mandated Unemployment Compensation Benefits Trust Fund.

V. Economic Impact and Fiscal Note:

- A. Tax/Fee Issues:

Increases the statutory minimum UC tax rate from .010% to .011%, or \$0.70 per covered worker per year, but actual net tax paid by employers may decrease if current solvency-adjusted rate of .012% or \$8.40 can be reduced simultaneously due to restoration of statutory fund solvency.

- B. Private Sector Impact:

Use of UC tax revenues for Demand Skills Training Fund may increase annual contributions/taxes by \$.70 per covered worker as described above, and aggregate annual impact of \$40 million or more depending on number of covered employees in any given year.

- C. Government Sector Impact:

Access to some supplemental funding to provide job training/matching services at local level.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None. This draft analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VIII. Summary of Amendments:

This draft staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



SFWIB EXECUTIVE COMMITTEE

DATE: 12/11/2014

AGENDA ITEM NUMBER: 7

AGENDA ITEM SUBJECT: BUSINESS & WORKFORCE COMPETITIVE FUND

AGENDA ITEM TYPE: APPROVAL

RECOMMENDATION: SFWIB staff recommend to the Executive Committee to recommend to the board to approval to adopt the re-alignment of governance structure of the board.

STRATEGIC GOAL: Strong, Timely Reporting Standards for End User Customers and Providers of Services

STRATEGIC PROJECT: Raise the Bar/ One-Stop Performance Consistency

BACKGROUND:

With the passage of the Workforce Innovation and Opportunity Act, there are a number of changes that will impact the governance of the South Florida Workforce Investment Board. The proposed governance structure, through which the board conducts its work, comprises the Board of Directors, an Executive Committee and three policy councils —Global Talent Competitiveness, Performance, and Finance and Efficiency Council. The Board and councils will place a heightened emphasis and focus on strategic initiatives, collaborations, measurements and outcomes that better position South Florida for today's rapidly accelerating innovation economy and the dramatic technological advances that are shaping our future.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

PROPOSED SFWIB GOVERNANCE STRUCTURE

Global Talent Competitiveness Council

The Global Talent Competitiveness Council focuses on developing and delivering talent to meet marketplace needs to grow South Florida's legacy and infrastructure industries as well as those industries that hold promise and have been identified as economic development priorities for diversifying the regional economy with high-wage jobs. While concentrating on the region's economic development agenda and aligned strategic targets, the council leverages and invests in talent, resources and projects to benefit and strengthen every region of the state. It provides the leadership for several strategic initiatives of the board to support world-class talent development, youth and future talent pipeline development and special initiatives designed to bolster regional collaboration among economic development, workforce and education.

The council advises CareerSource South Florida's Board of Directors on the development and implementation of policies, strategies, programs, and activities affecting workforce development focusing on One Community One Goal (OCOG)'s identified targeted sectors:

- Aviation
- Creative Design
- Hospitality & Tourism
- Information Technology
- International Banking & Finance
- Life Science & Healthcare
- Trade & Logistics

While focusing on the region's economic development agenda and common strategic targets, the council leverages and invests its talent, resources and projects to benefit and strengthen the region. The council accomplishes this objective through three key activities:

- (1) World-Class Talent Development:** To provide advice and counsel on current and emerging business climate and workforce competitiveness issues that impact world-class talent development for South Florida's core industry clusters and infrastructure industries.
- (2) Youth and Future Talent Pipeline Development:** To evaluate and consider best approaches that build South Florida's talent pipeline and support the creation of world-class talent.

(3) Special Initiatives and Demonstration Projects: The council can developed and deploy initiatives and projects to strengthen regional collaboration between economic development, education and the business community.

Performance Council

The Performance Council's role is to ensure compliance with the federal common measures and to review and analyze Career Center, Youth and Refugee performance outcomes. These include both programmatic and financial outcomes on measures such as job placements, cost per placement and return-on-investment. While focusing on the region's shared workforce and economic development agenda, the council designs, recommends, and oversees statewide performance measures to include recommendations for policies and performance-based financial incentives. The council's recommendations result in greater collaboration, effectiveness and efficiencies.

The council provides oversight and accountability for positive outcomes of Florida's federal common measures. The common measures include:

(1) Career Center Measures

- a. Level of Service
- b. Training Completion Rate
- c. Training Related Placement
- d. Job Opening Index
- e. WP Entered Employment Rate
- f. WIA Adult & Dislocated Entered Employment Rate
- g. CAP Entered Employment Rate
- h. Short-Term Veteran Entered Employment Rate
- i. SNAP Entered Employment Rate
- j. Number of Training Enrollments
- k. Employment
- l. Employment Average Wage
- m. Employers Served
- n. Employers Served (Level 1)
- o. Cost Per Placement
- p. Net Economic Benefit
- q. Return-on-Investment

(2) Youth Common Measures

- a. Younger Youth Skill Attainment Rate – Basic Skills
- b. Younger Youth Skill Attainment Rate – Work Readiness
- c. Younger Youth Skill Attainment Rate – Occupational Skills
- d. Older & Younger Youth Outcome Rate
- e. In-School Youth Outcomes
- f. Older & Younger Youth Credentials
- g. WIA Follow-up

- h. Older Youth Employment Retention Rate (6 months)
 - i. Younger Youth Retention
- (3) Refugee Program Measures**
- a. Entered Employment Rate
 - b. Entered Employment Rate LTY
 - c. Employed on the 90th Day
 - d. Employed on the 180th Day
 - e. Health Benefits
 - f. Placements
 - g. Intakes
 - h. STT Placements within 90 Day

Finance and Efficiency Council

The Finance and Efficiency Council's primary goal is to work to ensure that the board is in good financial health, that its assets are protected, and the board's resources are used appropriately and accounted for sufficiently. Through this effort, the council assists the CareerSource South Florida Board of Directors in ensuring that the resources available to the region for workforce training programs and support services are used effectively and efficiently with utmost accountability to maintain public confidence and support.

To this end, the council directs the allocation of workforce funding and ensures policies and practices are in place to safeguard the system's assets and preserve the integrity of the system and the public's confidence.

The council continues to maintain the following primary areas of responsibility:

(1) Directing the Allocation of Statewide Workforce Funding

The Finance and Efficiency Council is responsible for proposing the budget and allocations of boards funding. In the event funding modifications occur during the course of the budget cycle, the Finance and Efficiency Council reviews and proposes modifications to the previous budgets to ensure that over-commitments do not occur.

An integral part of this responsibility is the charge of ensuring that the limited workforce funding is utilized appropriately and in accordance with federal, state, and CareerSource South Florida Board policies.

(2) Safeguarding the Workforce System's Resources and Assets

The Finance and Efficiency Council ensures that appropriate policies and practices are in place to protect the assets and integrity of the workforce system. The council is charged with the responsibility to protect the financial integrity of the regional workforce system and to promote full accountability among all workforce partners. Based external audits and state reviews, the council reviews corrective action plans which may require the establishment of financial/program policies or modifications of existing policies for consideration by the full Board.