

## MINUTES

### ARKANSAS WORKFORCE DEVELOPMENT BOARD- Executive Committee

June 15, 2023

The Arkansas Workforce Development Board- Executive Committee convened on June 15, 2023, beginning at 10:03 a.m. The meeting was conducted virtually. Chairman Tom Anderson presided with the following members voicing their presence: Mr. Tom Anderson, Mr. Miles Crawford, Ms. Candice Lawrence, Judge Brandon Ellison, Ms. Karen Breashears, Mr. Justin Majors, proxy for Mr. Clint O'Neal. A quorum was established.

Governor Sarah Sanders, Mr. William French, and Commissioner Joseph Baxter were unable to attend.

Chairman's Opening Comments: Chairman Anderson moved to the first agenda item.

**Agenda Item 1 – ACTION – Stipend Payments:** Chairman Anderson recognized Director Chad Brown. Mr. Brown stated that at the first board meeting of the year, the AWDB approved a resolution for board members to receive a stipend, however an amount was not approved at that time. Mr. Brown explained that the previously approved rate was \$110. He further explained that an amount would need to be decided and approved and made retroactive back to January 2023.

Chairman Anderson opened the floor for questions and asked for a motion after hearing no questions.

**Hearing none, a motion to approve the board member stipend amount of \$110, retroactive to January 2023, was made by Ms. Candice Lawrence, followed by a second motion by Ms. Karen Breashears. The motion carried unanimously with none opposed.**

**Agenda Item 2 – ACTION – ReImagine Grant Extension** Chairman Anderson provided a summary of the May 2023 Full Board meeting and discussions related to the ReImagine grant. Mr. Anderson stated that the full board tabled a decision to approve a request for a one year no-cost extension and deferred the decision to the Executive Committee. Chairman Anderson recognized Assistant Director Eddie Thomas to provide an overview of the current status of the grant.

Mr. Thomas explained that the grant period is a three-year timeframe that ends on September 30, 2023 and shared objectives of the meeting. He then recognized Ms. Shenaye Johns, ReImagine Project Director and asked that she share more details about the grant.

Ms. Johns stated the purpose of the grant and provided a detailed report of performance rates and program outcomes. Mr. Doss Burgess, ADWS Grants Manager was recognized and provided a detailed budget report of the grant's financial activities including state expenditures, subrecipient expenditures and remaining balances on the grant. Ms. Johns and Mr. Burgess asked if there were any questions.

Mr. Miles Crawford asked for clarity on the number of completers in the performance report. He stated that based on the report it seemed as if neither subrecipient was performing well based on percentages. Ms. Johns and Mr. Thomas explained that goals for each subrecipient was based on negotiated performance levels and differed based on the grant award.

Ms. Candice Lawrence asked which subrecipient requested an extension. Based on her understanding from the previous meeting, Shorter was requesting an extension but UAGC was indifferent. Director Brown explained that both subrecipients would be subject to participate if the extension was granted. Ms.

Lawrence asked if the floor was open for discussion. Mr. Thomas confirmed that staff was prepared to answer any questions at that time. Ms. Lawrence expressed her concerns with the overall outcomes of the grant and stated that based on the information provided, it might not be a good idea to extend the grant. Mr. Crawford agreed and stated that the board has a fiduciary responsibility to be good stewards of funds, thus an extension would not be a good use of funds. Mr. Justin Majors asked staff to explain the purpose of the grant and stated that if the objective of the grant was to assist individuals in finding jobs during the pandemic, then that may no longer need to be a focus, post-pandemic. He suggested that this may be the reason for low performance. Mr. Crawford agreed and asked if there was data to show the number of participants who found employment before completing the training programs. Mr. Thomas explained that he did not believe this data was available but shared that subrecipients hired retention specialist mid-way through the grant and could possibly be tracking this information now. Mr. Thomas shared that the extension would be a no-cost extension which allowed for an extra year of grant activity but no additional funds would be awarded to the state. He also explained that during the pandemic states received an influx of funds that were designed to provide comparable training opportunities as the ReImagine grant, thus creating competition amongst similar programs.

Mr. Thomas informed the board that there was another issue that required disclosing. The issue was related to the Idatify LLC contract between UAGC and the vendor. Thomas shared that state staff identified possible procurement and contract issues related to contract start and end dates and payment schedules, which could lead to questioned and disallowed costs. Mr. Thomas explained that the issues have been raised to the subrecipient and all parties have been discussing options for resolution. He then stated that next steps would be to vote to accept or deny the extension request and then present that decision to the US Department of Education.

Ms. Karen Breashears asked if there were plans to produce better results or if extending the grant would be “business as usual.” Mr. Crawford, Judge Brandon Ellison, and Ms. Lawrence asked for more clarity on the Idatify contract and its services. Ms. Johns stated that the amount of questioned costs appeared to be \$445,000. Ms. Johns also explained Idatify’s role in the grant project and additional details of the contract.

Ms. Breashears asked if the subrecipients regularly seek technical assistance in order to overcome challenges and reach their targets. She also asked if there had been other issues with the grant or subrecipients outside of performance. ADWS staff explained their role as grant administrator and a technical assistance arm for all partners of the grants.

Mr. Crawford and Ms. Breashears asked if other states are experiencing difficulty with program outcomes and if other states would be extending their grant. State staff explained that according to the DOE federal project officer, Arkansas is the only state that has not yet asked for an extension, despite all states struggling with performance. Ms. Lawrence and Mr. Crawford expressed their appreciation for those who wish to utilize grant funds in lieu of having them recaptured by the federal government. Both stated that their position is that if the grant has not proven to be successful and if there is no solid plan to improve outcomes, then the responsible action would be to return the funds to the federal treasury. Judge Ellison and Ms. Breashears concurred.

Mr. Thomas explained that if this grant is not extended, the agency would be committed to applying for future grants aligned with the board’s vision and mission. Board members continued discussion surrounding their views.

Ms. Breashears asked if the subrecipients were on the call and encouraged guests to provide more details if they were. Chairman Anderson opened the floor for public comments.

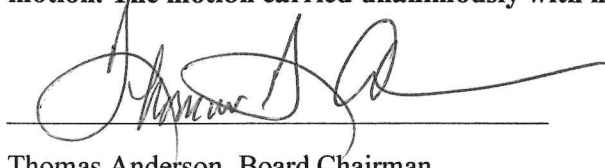
**Hearing none, a motion was made to not extend the ReImagine Workforce grant, by Ms. Karen Breashears; followed by a second motion by Judge Brandon Ellison. The motion carried unanimously with none opposed.**

**Board Open Discussion:** Chairman Anderson opened the floor for open discussion. Board members discussed available virtual platforms for labor exchange and resume' development services.

**Public Speaking Opportunity:** Chairman opened the floor for public comment, but there were none.

**Announcements:** Director Brown announced that the next meeting would be on August 15th at Pulaski Tech in Little Rock, AR. November 7th-9th WIOA partners will convene in Hot Springs. State board meetings are encouraged to attend.

**Adjourn:** As presented, Chairman Anderson adjourned the AWDB Full Board meeting on a motion made by Ms. Karen Breashears, followed by Judge Brandon Ellison making the second motion. The motion carried unanimously with none opposed. Meeting adjourned at 11:10am.

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Thomas Anderson, Board Chairman

Arkansas Workforce Development Board

A handwritten signature in black ink, appearing to read 'Charisse Childers', written over a horizontal line.

Charisse Childers, Director

Arkansas Division of Workforce Services

*Minutes recorded by Eddie Thomas*

*Arkansas Division of Workforce Services Staff*