

**Pasco Hernando Workforce Board  
Audit and Finance Committee Summary Minutes  
January 21, 2010**

**Board members present:** Lex Smith, Mark Earl and Mark Barry.

**Board members absent:** Randy Woodruff

**Guest/Others:** Jerome Salatino and Kenneth W. Russ

Meeting called to order by Lex Smith, Chairperson at 7:37 am.

**Business Meeting**

**Action/Discussion Items**

**OIG Audit/Findings: Jerome Salatino**

PHCC Contract/lease: Amount for the PHCC contract/lease was unreasonable; lease had an automatic annual renewal. Supporting documentation regarding services provided by PHCCC and performance outcomes was submitted to OIG by January 20, 2010 to support the amount. The contract was terminated.

PEDC contract: OIG did not find enough documentation to support reasonable cost as a pay for performance contract. Supporting documentation regarding the services provided by PEDC and performance outcomes were submitted to OIG by January 20, 2010. It was noted at the meeting that the guidance provided does not match the intent of the law for a partnership with economic development. This is a state wide issue.

The board anticipates to receive a response to both of these two findings prior to the next board meeting.

Massages were offered and made available to all staff in the Centers and board for employee morale over a two year period. The Executive Committee made a motion to pay this cost back to the State in the amount of \$6000. The check was mailed to the State on January 20, 2010. This amount needs to be ratified by the board at the meeting today at 3:00 pm.

**Budget: Ed Grant**

Budget and funding spreadsheets were presented and reflected expenditures from the prior year. The expenses are on an accrual basis. Mark Barry stated for the full board, the Committee needs to provide less detail and something more easily understood.

Jerome reported the need to reallocate TANF and other fundings accounts up to \$500,000 to appropriately expend these dollars prior to June 30, 2010.

**Motion to reallocate TANF funds, but not to exceed \$500,000, was made by Mark Barry for Employed Worker Training funds (EWT).  
Second by Mark Earl.**

This motion will go to the board today.

**Resolution for Signature Bank Signature Cards:**

William Grant stated the need for a resolution to add signatures for our payroll, unrestricted and normal vendor accounts. This request will be presented in the form of a motion to the board today.

**Paid Time Off (PTO): Ed Grant**

A summary was provided to begin to develop a PTO policy that excludes a cash out plan. The summary included:

- Accrual schedule based on years of service and anniversary date.
- Allowable accrual carry over balance up to twice the employer's annual accrual; accrual to stop after the two year balance is accrued and not used. Accrual would begin again after usage with no catch provision.
- Provision to allow employees to continue using current sick and vacation balances until exhausted.

A cash-out provision was mentioned to reduce the financial liability and potential overtime.

Only the proposed accrual schedule was approved and will be presented to the board for approval today. If any employee lost time on January 15, 2010 due to the lack of a schedule, it was approved to implement the schedule retro-actively and provide payment.

The Committee will develop a comprehensive PTO plan around the approved schedule.

**401(k) Plan: Ed Grant**

Due to conflicting activities that require a higher priority, suspend revising the 401(k) plan at this time. There is a bigger need to revamp the all the benefits for board staff, which can include revising the 401(k) plan This includes evaluating the cafeteria plan built around grossing up salaries by 33% and implementing a different benefit structure that focuses on healthcare needs and better retirement options.

**Adjournment**

**Next Committee Meeting (not scheduled).**