Workforce Innovations, Inc. (WFI)
Board of Directors Meeting
June 10, 2025, 9:00 am
Martin Event Center/Martin Library, 89 Central Street, Martin, TN / Zoom

Minutes

Board of Directors Attending in Person: Jimmy Williamson, Ted Piazza; **By Zoom**: Mayor Mike Creasy, Ben Ferguson
Staff Attending in Person: Jennifer Bane, LeAnn Lundberg, Ariel McGahey; **By Zoom:** Lana Burchfiel, Ginger Powell, Laura Speer, Gina Johnson

Welcome and Call to Order and Approval of Minutes: Jimmy Williamson, President, welcomed the group, recognized there was a quorum and called the meeting to order. He presented the 11/6/24 minutes for approval.

- **MOTION: A motion to approve the 11/6/24 minutes as presented was made by Ted Piazza and seconded by Ben Ferguson. All were in favor and the motion carried.**

Personnel Policy Manual Changes: Jennifer Bane reviewed the proposed changes to the Personnel Manual as noted in red in the attached handouts. Changes included:

- Added additional information to the external candidates section of the Hiring Policy including procedures for requiring background checks for new hires, since staff handle so much personal data. Board members stressed that background checks need to be consistently done with all new hires and suggested adding a drug screen to the hiring process as well. Ben mentioned specific language that needs to be included if we add drug testing. Jennifer said she will look at the suggested language from TBR and check with our insurance company, per Ted's suggestion.
- Updated the New Employee Orientation checklist.
- Clarified that salaries are based on a 37.5-hour work week for full-time employees. Salaries for full-time employees working less than 37.5 hours will be prorated equal to the percentage of their employment to full-time employment of 37.5 hours per week. Part-time employees working less than 30 hours per week will be paid on an hourly basis
- Clarified that annual and sick leave hours earned are based on full-time employees working 37.5 hours per week, and that regular full-time employees working less 37.5 hours per week and part-time employees shall earn leave on a prorated basis.
- Added Standard 6 – Operation of Motor Vehicles to the Code of Conduct policy in which a copy of a valid driver's license must be provided. Ben suggested adding language to monthly travel claims indicating that by signing, staff attest to having a valid driver's license and insurance policy to be able to legally operate a motor vehicle for work purposes.
  - **MOTION: A motion to approve the Personnel Policy Manual changes as presented was made by Ben Ferguson and seconded by Ted Piazza. All were in favor and the motion carried.**

- Four-Day Work Week Pilot: Jennifer explained that she has reviewed an abbreviated work week as an incentive to staff. This is something United Way has done, and since we have a few staff members who were looking to reduce hours rather than retire, Jennifer thought it might be an option for all staff that would offer some savings to the budget. After surveying all Board staff, all but one are on-board with participating in a pilot of working an average of 32-hours per week in lieu of a 2.6% cost of living raise, plus a reduction in monthly annual leave hours earned from 10 to 8.5, and an increase in sick leave from 7.5 to 8 hours per month. The biggest concern is if staff will be able to get all of their work completed within the reduced hours. The expectation for staff will be to work up to 37.5 hours in the event that they cannot complete everything in the abbreviate schedule. If staff have to continue working those hours anyways, they would want to return to receiving a cost of living raise and full annual leave benefits. With just the board staff participating, it's a savings of about $22,000 in salaries and $10,000 in leave. Jennifer explained that although we are not currently in a financial position where we must have these savings, we always look for areas to save money to

plan ahead for any unforeseen future cuts. We recently lost funding of about $27,000 in NW, and SW is about $77,000 loss. Jimmy asked about the number of paid holidays and how that may affect the proposed abbreviated week. Jennifer said she thinks if we work less hours we may have less holidays, but she did not know if we would want to consider this for the pilot period. Ted asked if all staff would be on the same schedule, and Jennifer said this is something we will have to consider, but she was thinking staff may work Monday through Thursday so we can still work on Fridays if needed. Jimmy feels like our staff has proven trustworthy, and it's worth trying for a pilot period. Jimmy said for the pilot it should work to keep the existing holiday schedule, but we will need to revisit this if we decide this schedule permanent. Ted said to make sure that everyone who participates in the pilot knows that we may lose some holidays/administrative leave if this schedule becomes permanent. Ben mentioned that we are also reducing hours by 15% to save just 2.6% plus annual leave and that it may be better to do half days on Fridays (35 hours/week) rather than a four-day workweek. Jennifer mentioned she had offered another option of 35 hours per week in lieu of the raise with no changes to leave benefits, but staff preferred the lesser hours for giving up the raise. Jennifer said she feels 100% confident that even if staff don't get their work done in 32 hours, they will continue to work on their own time that week to get it done. Jennifer said staff will review in December to see how it is going and decide if they would like to continue through June. Staff will then review again and make a recommendation to the Board of Directors. Jennfier hopes that if the pilot is successful, this could be extended to the Career Service Provider (CSP) staff. Since we have seen quite a bit of turnover despite increasing salaries, she hopes a reduced work week would help attract and retain salaries since we likely won't be able to continue to increase salaries outside of cost of living raises.
  - **MOTION: A motion to approve the Policy Manual changes as presented was made by Ted Piazza and seconded by Ben Ferguson. All were in favor and the motion carried.**

Financial Management Report: Jennifer Bane provided the following updates:

- ACH Payment Process: The ACH process is working very well with PPL, West TN Healthcare, and gas cards being processed through ACH. Ford had originally expressed they would prefer payment by ACH, but since we paid by check already, they are fine with continuing with that. We pay around $60 a month for around 50 transactions, which is more than the number of payments we process. Jennifer mentioned that staff travel reimbursements may be another option to offer through ACH since we have quite a few and have to mail most of them. Board members agreed since we already have enough payments available each month.
- Stale Check Process: 6-month Limit: With making direct payments to participants, we have seen an increase in checks not being cashed. If a participant does not cash a check from us within 6-months, the check is void and our bank will no longer honor them. This is mostly regarding travel reimbursements. Staff make attempts to contact individuals if they do not cash checks in a timely manner, and so far, there have not been any issues with individuals requesting funds after the 6-month timeframe, but staff wanted to make the board aware of this process in case it is an issue in the future.

Organization Updates:

- 2024 Audit Response: The board reviewed the audit response from the TN Comptroller's office. The response mentions a bank overdraft of $389,134, which is not truly an overdraft and is actually due to our reimbursement process with funding. This has been our process for many years, but for some reason it was flagged this year. In the future, staff will make sure the auditors add a footnote about this which will hopefully be satisfactory for future audits. Jennifer mentioned we went over the $1 million threshold for the GROWWTH program, which triggered separate audit requirements last year, and will likely increase our audit cost for the next year. We are already under a single audit, but this grant is under DHS instead of TDLWD. We will probably schedule the audit for late August again or early September.
- Southwest Career Services Provider (CSP) Updates: Most SW participants have been moved to the contracted employer of record which has been a huge help to staff and has helped reduce workers compensation costs.
- Updates on Insurance Policies: Jennifer Bane reported that insurance agencies have still declined to provide quotes for an Errors & Omissions policy, indicating those are typically for accountants, financial advisors, etc. It seems that the Directors & Officers policy should provide this coverage for our organization. The

declarations page from the current policy is included in the handouts and shows the additional coverage options. A quote has been requested for additional defense limit costs. According to our insurance agent, fiduciary liability insurance shouldn't be needed since we aren't managing retirements or benefit accounts. Staff didn't request a quote for crime or kidnap and ransom / extortion coverage.

The Business Owners Coverage policy renews in June and does have $100,000 in cyber liability and data breach coverage. Staff are still hoping to be able to add additional coverage. A new Workers Compensation policy was issued in February with an estimated $4,892 premium, which is significantly less than the previous premium of $14,115 but much more than the $796 premium when it was just for staff. Originally after the audit on the last policy, they tried to charge us a non-compliance fee of $28,000, but after going back and forth on amounts we ended up with about a $5,000 refund. Jennifer stated she was hoping to transition the remaining participants to the contracted employer of record, but the admin portion of the SCSEP grant is not enough to cover the costs. State staff indicated we would request a waiver, but it would likely take months and the program is currently proposed to be cut from the budget, so we will probably wait to see if the

<u>Other Business</u>: Jennifer Bane provided an update on the All-Star Forklift Training Provider complaint. After going through three state-level appeals, All Star submitted an appeal to US DOL, which issued a response upholding the State's decision. Late last week Jennifer was notified that the Civil Rights Center (CRC) has accepted a complaint that references the Jackson American Job Center between February 15, 2024-August 15, 2024. We have an attorney who assisted with the final state appeal and the federal appeal. The CRC will appoint an investigator to complete the process. Jennifer will share this information at the board meeting as well. The board said to let our attorney handle correspondence with the CRC to turn over everything already used for other appeals. Jennifer suspects they will do interviews with staff/board members as part of the process. This may be All Star's last option through the appeals process. Jennifer mentioned that she thought this type of complaint must be made within 180 days of the incident and if the complaint was just filed for the February-August 2024 timeframe, it would not be within those 180 days and said she would check on that. She also noted the letter referenced an option to settle, but it wasn't clear what they means, so she will check with our attorney.

With no other business, the meeting was adjourned.

Respectfully submitted,

Lana Burchfiel, Public Information Specialist