

## Finance Committee Meeting

CareerSource Central Florida Office  
390 N Orange Ave., Suite 700  
Orlando, FL 32801  
Tuesday, June 7, 2016  
2:30 p.m.

### MINUTES

**MEMBERS PRESENT:** Joseph Sarnovsky, Melanie Cornell, Nicole Guillet, John Pittman and Mark Wylie

**MEMBERS ABSENT:** Chuck Todd

**STAFF PRESENT:** Pam Nabors, Mimi Coenen, Leo Alvarez, Ann Beecham and Kaz Kasal

**GUESTS PRESENT:** Jason Chepenik, Chepenik Financial

Agenda Item	Topic	Action Item / Follow Up Item
1	<b>Welcome</b> Mr. Wylie called the meeting to order at 2:30 pm and welcomed those in attendance.	
2	<b>Roll Call / Establishment of Quorum</b> Ms. Kasal reported that there was a quorum present.	
3	<b>Public Comment</b> None Offered.	
4	<b>Approval of Minutes</b> A. 4/5/16 Finance Committee Meeting.	<b>Mr. Pittman made a motion to approve the minutes from the 4/5/16 Finance Committee Meeting. Mr. Wylie seconded; motion passed.</b>
5	<b>Information/Discussion/Action Items</b>	
6	A. <u>RFP – Retirement Plan Vendor Selection</u> Mr. Alvarez referenced the “RFP 403b Retirement Plan Vendor” memo (attachment) and stated that a Request For Proposals (RFP) was conducted to evaluate the marketplace to compare with CSCF’s current retirement plan vendor. From proposals received, the top 3 RFP responders were invited to provide a formal presentation on 6/6/16 of which Mr. Alvarez, Ms. Nabors, and Ms. Beecham along with Chepenik Financial were present. Based on this further review, staff are recommending Principal	<b>After discussion, Mr. Pittman made a motion to move forward for Board approval the recommendation to select Principal Financial Group as CSCF’s 403b retirement plan record keeper. Mr. Wylie seconded; motion passed.</b>

Financial Group be selected as CareerSource Central Florida's 403b retirement plan record keeper. Mr. Chepenik provided an overview to further substantiate the recommendation of Principal Financial Group to include the following:

- More administratively efficient
- Proactive with new ideas - redesign plan to focus on improving outcomes
- Easy interactive modern technical tools and apps for staff to use to review and track retirement outcomes "the finish line" which will help staff to become better fiduciary stewards and more responsible of their retirement funds planning.
- Good culture fit with CSCF
- Works well with team members
- Take over approval of loans
- Locally based

Mr. Chepenik further stated savings rates is the most important focus for successful retirement plan outcomes and Principal Financial Group best aligns with this focus. As this change involves an increased fee, the Committee advised staff to redo the recommendation to Board to include above justifications for changing to Principal Financial Group.

B. Budget to Actual Results through April 2016

Mr. Alvarez referenced the report entitled "Budget vs. Actual Report - as of 4/30/16" (attachment) and reviewed the report per line item. ITAs and Admin Costs are both tracking above targeted goals.

C. Health Benefits Renewal

Mr. Alvarez referenced the "Employee Wellness Benefits" memo (attachment) and reviewed the results of the benefit procurement conducted by Willis Towers Watson, CSCF's benefits broker. Based on the results of Willis' procurement, Cigna (current carrier) quoted a renewal rate of 9% increase in Health and 6% increase in dental over last year's rates. Other carriers declined to quote due to uncompetitive rates or presence in the Orlando market. Ms. Beecham stated that incentivizing staff to select CSCF's two core benefit plans is intended to help further lower the 9% renewal rate increase. The Executive Committee met and concurred to move this recommendation to Board for approval.

**D. Approval of Fiscal Year 16-17 Draft Budget**

Mr. Alvarez referenced the “FY 2016-2017 Draft Annual Budget” which was reviewed and discussed at the Finance and Career Services Committees’ Budget Workshop on 5/19/16. Mr. Alvarez reviewed the following highlights:

- 90% of budget is dedicated to direct service to customers
- 5% difference between 15-16 and 16-17 budgets
- Moving administration of youth services in-house is more efficient and lowers costs
- Consolidation of South Orange and East Orange offices will result in cost savings
- Budgeting for computer refresh to capture full value of hardware and proactively prevent operation risk
- Unrestricted funds – continue to conservatively use these funds for Board activities (board sponsored), annual all-staff meeting and general marketing to promote visibility and reserve balances to ensure a focus on program services delivery and alignment with CSCF’s mission
- Mandatory goals of 50% WIOA allocation to career services and admin cost cap at 10% with CSCF goal of 7%
- Budget includes 3% merit increase

Mr. Alvarez also noted for the purpose of disclosure that CSCF, as a regular course of business, does business with University of Central, Valencia College and Seminole State College – all of which have representation on the CSCF Board of Directors.

Mr. Alvarez stated that the 16-17 draft budget will be forwarded via email to Consortium and Board tomorrow, 6/8/16.

**E. RFQ – Fiscal & Programmatic Monitoring**

Mr. Alvarez reviewed memo on fiscal and programmatic monitoring (attachment) and stated that a Request For Quotes (RFQ) was conducted to attain quotes from fiscal and programmatic monitoring vendors. Three (3) responses were received and reviewed by a team consisting of two staff and Board Member Mark Wylie. Based on the

**Mr. Wylie made a motion to move for Board approval recommendation to approve 16-17 draft budget. Mr. Pittman seconded; motion passed.**

**Dr. Sarnovsky made a motion to move to Executive Committee to authorize CSCF to enter into final negotiations with TLH&W for award of contract to provide monitoring and technical assistance services, at a total cost not to exceed \$160,000. Mr. Pittman seconded; motion passed.**

team's discussion and resulting rating summary, Taylor, Lombardi, Hall and Wydra, PA (TL&W) emerged with the highest score. The review team concurred that TLH&W's proposal best meets the specification outlines within CSCF's RFQ and the firm's qualification reflects a history of financial and programmatic monitoring experience with workforce boards and is a subject matter expert in workforce development.

F. RFP – Computer Hardware Replacement

Mr. Alvarez reviewed memo on computer hardware replacement (attachment) and stated that a Request For Proposals (RFP) was conducted to solicit competitive price quotes for procurement of computer hardware for CSCF staff. Two (2) responses were received and reviewed by a team consisting of four staff and Board Member John Pitman. Based on the team's discussion and resulting rating summary, CDW-G emerged with the highest score. The review team concurred that CDW-G's proposal best meets the technical specifications of CSCF while offering a great computer hardware solution at an extremely competitive price.

G. Facilities – Office Consolidation

Mr. Alvarez referenced the facilities memo (attachment) and provided an update of CSCF's intent to consolidate the East Orange and South Orange locations to a new location on South Semoran Boulevard, which will further decrease rental costs which a projected savings of \$1M over a five year term. Mr. Alvarez provided an overview on the cost analysis of current costs/locations and proposed at new location, as well as maps of said locations. Mr. Alvarez stated that with the office consolidation there will still be sufficient office space and space will be utilized with more flexibility. Also, CSCF will continue to create additional access points with community and educational partners.

The Committee suggested customers be surveyed on how they get to the Center.

H. Finance Committee Meetings – Proposed Dates for FY 16-17

The Committee reviewed and concurred with proposed

**Dr. Sarnovsky made a motion to move to Executive Committee to authorize CSCF to enter into final negotiations with CDW-G to acquire up to 350 PC systems with a total cost not to exceed \$370,000. Mr. Wylie seconded; motion passed.**

*Mr. Alvarez will research leasing vs. purchasing software.*

**Ms. Cornell made a motion to move for Board approval the recommendation to finalize negotiations with The Airport Business Center of office located on South Semoran Boulevard. Ms. Guillet seconded; motion passed.**

	meeting dates.	
7	<b>Other Business</b>	
8	<b>Adjournment</b> There being no other business, the Finance Committee meeting was adjourned at 4:02 p.m.	

Respectfully submitted,

Kaz Kasal  
Executive Coordinator