

MINUTES – MEETING OF THE  
CAREER EDUCATION AND WORKFORCE DEVELOPMENT BOARD

July 12, 2016  
1:00 p.m.

The Career Education and Workforce Development Board was called to order by Chairman Michael Garner. The meeting was held at the Arkansas Rehabilitation Services, 525 West Capitol Avenue, Little Rock, Arkansas.

A record of member attendance is as follows:

PRESENT

Mr. Michael Garner, Chair  
Mr. Hugh McDonald, Vice Chair  
Mr. Burton Weis  
Mr. Jeff Standridge  
Mr. Troy Keeping  
Mrs. Jenifer Price  
Mrs. Stacy Gunderman  
Dr. Jerry Cash  
Dr. Keith Vire  
Mrs. Gina Radke  
Mr. Scott Copas  
Dr. Adam Arroyos

Ex-Officio Nonvoting Members

Dr. Charisse Childers, Ex-Officio Secretary  
Dr. Paul Beran  
Dr. Brett Powell  
Mr. Bill Stovall  
Dr. Richard Abernathy  
Mr. Mike Preston

ABSENT

Ex-Officio Nonvoting Members

Mr. Johnny Key  
Mr. Daryl Bassett

Mr. Michael Garner, Chair called the meeting to order.

ACTION ITEM 1 – APPROVAL OF MINUTES OF JUNE 14, 2016

On a motion by Mr. McDonald and second by Mr. Keeping, the Career Education and Workforce Development Board unanimously approved the minutes of June 14, 2016.

ACTION ITEM 2 – SELECTION OF CAREER EDUCATION AND WORKFORCE DEVELOPMENT BOARD CHAIRMAN AND VICE CHAIRMAN

Mr. Garner stated that we have now completed our twelfth meeting and so we need to appoint a new chair and vice chair for the new year. Mr. Garner asked if there were any recommendations from the board as to appointment of chair and vice chair.

On a motion by Mr. Copas and second by Dr. Vire the Career Education and Workforce Development Board approved by a majority vote that Mr. Michael Garner be the chair of the Career Education and Workforce Development Board.

On a motion by Mr. Copas and second by Mr. Standridge the Career Education and Workforce Development Board approved by a majority vote that Mr. Hugh McDonald be the vice chair of the Career Education and Workforce Development Board.

### INFORMATION ITEM 3 – U.S. DEPARTMENT OF EDUCATION, OFFICE FOR CIVIL RIGHTS “SIGNIFICANT GUIDANCE” – NONTRADITIONAL STEPS

Dr. Charisse Childers stated that the purpose of the attachment in your board manual is to bring your attention to the federal guidance letter from the USDOE, Office for Civil Rights, Office of Career, Technical, and Adult Education, received in our office on June 15, discussing the gender equity issue concerning Perkins funds. The action taken at the June 14<sup>th</sup> board meeting concerning Improvement Plans for subrecipients was discussed and voted to proceed. The action stated that all areas of improvement of the eight indicators, including Non Traditional, would commit at least 15% of the subrecipient's grant funds to address those deficient indicators. The Perkins Manual was revised to reflect this action beginning July 1, 2016. The inclusion of the Perkins funds being addressed towards gender equity (Non Traditional), will guide our subrecipients to ensure equitable access to CTE programs.

Mr. Standridge stated that he still does not have a good understanding of where we have deficiencies across those indicators by program and he would like to see the impact of our decision last month and then this information: here are the indicators, here are all the programs, and here is where we fall by program.

Mr. Standridge stated that he would like to see a follow up item by program across the state where we have issues.

Mr. Garner stated that the follow up item would identify by program by area their performance against target deficiencies.

Dr. Childers asked if the board would like this to be sent out after this meeting or presented at the next meeting. Mr. Garner stated that the follow up item would be sent out to the board members.

### INFORMATION ITEM 4 – LEGISLATIVE JOINT AUDITING COMMITTEE FINDINGS

Dr. Childers stated as required by A.C.A. 10-4-418, the audit reports and accompanying comments and recommendations for Arkansas Department of Career Education (590) and the Arkansas Department of Career Education – Arkansas Rehabilitation Services (520) are being presented to the board for review. The regular audits “Internal Control and Compliance Assessment” for both entities, Fiscal Year Ending June 30, 2014, were presented to the Standing Committee on State Agencies, Legislative Joint Audit, Legislative Joint Auditing Committee, on June 9, 2016. The “Special Report – Review of Selected Federal Awards” for 590, Fiscal Year Ending June 30, 2014, was presented to Legislative Joint Audit, Legislative Joint Auditing Committee, on March 4, 2016. The single audit for federal awards “State of Arkansas Single Audit Report – State of Arkansas Schedule of Findings and Questioned Costs” for 520, Fiscal Year Ending June 30, 2015, was presented to Legislative Joint Audit, Legislative Joint Auditing Committee, on June 10, 2016.

Dr. Childers provided the board members a summary of all of the audits in order to provide a better understanding of what follows in the next fifty pages.

Dr. Childers stated a summary of the legislative committee meetings held on March 4, June 9, and June 10 are:

- The Arkansas Department of Career Education “Special Report – Review of Selected Federal Awards” [Report] was presented to the Arkansas Legislative Audit, Legislative Joint Auditing Committee on March 4, 2016. The Report included findings from July 1, 2013 – June 30, 2014 with the responses by management.

The following action was taken by the committee:

- The Report was approved by the committee with no further action required.
- The Arkansas Department of Career Education and the Arkansas Department of Career Education – Arkansas Rehabilitation Services “Internal Control and Compliance Assessment” [Report] by the Arkansas Legislative Audit was presented to the Arkansas Legislative Joint Auditing Committee –

Standing Committee on State Agencies on June 9, 2016. The Assessment included findings from July 1, 2013 – June 30, 2014 with the responses by management from both business areas.

The following actions were taken by the committee:

- Arkansas Department of Career Education – the Report was approved by the committee and sent Finding 1 regarding the unappropriated “cash funds” to the Office of the Attorney General for further review of past expenditures related to travel and purchasing.
  - Arkansas Department of Career Education – Arkansas Rehabilitation Services – the Report was approved by the committee and sent Finding 1 regarding the expenditures to 5Linx Enterprises, Inc. to the Pulaski County Prosecuting Attorney’s office for further review of the payments and any conflict of interest. The committee requested that Legislative Audit provide an update from the Prosecuting Attorney at the September 15, 2016 meeting. The agency will be required to attend.
- The Arkansas Department of Career Education – Arkansas Rehabilitation Services federal portion of the Statewide Single Audit – Year ending June 30, 2015 by the Arkansas Legislative Audit was presented to the Arkansas Legislative Audit, Legislative Joint Auditing Committee on June 10, 2016. The Report included findings from July 1, 2014 – June 30, 2015 with the responses by management.

The following action was taken by the committee:

- The Committee referred the Report to the September 16, 2016 meeting due to the following, per Committee Chair, Senator Hickey: (1) a member of the Arkansas Legislative Joint Auditing Committee who requested a special audit of Career Ed was not present at the meeting, (2) certain “witnesses” were not present, and (3) the Standing Committee on State Agencies deferred a report containing similar findings at its meeting the day before. The agency will be required to attend.

## COMMITTEE REPORTS

Mr. McDonald, Budget Committee Chair, provided the board members with a two-page summary of the proposed budget request for Fiscal Year 2018.

Mr. Joseph Baxter provided information concerning the Arkansas Rehabilitation budget and stated that there were no significant requests in the agency submission. We submitted some changes in our operating funds to eventually setup a Communications budget under the Communications Director where we moved around \$300,000 between funds and will eventually provide them with a \$500,000 budget.

Mr. Copas, Personnel Policy Committee Chair, provided the board members with a draft copy of the personnel memorandum, which will be addressed with the Governor and the Office of Personnel Management.

On a motion by Mr. Standridge and second by Mrs. Radke, the Career Education and Workforce Development Board unanimously approved the memorandum as submitted with any changes that need to be made at the discretion of the committee.

Mr. Garner stated that it has been brought to his attention that the reason Mr. Bassett has rarely attended our meetings is because the Workforce Services board meetings conflict with our meeting which is held on the second Tuesday of every month. Looking forward, speaking specifically of August right now, we will cancel that meeting and look as some alternative dates: Move September meeting to the 20<sup>th</sup> of September and for the remainder of the year move our meetings to the second Wednesday of the month. Which would be October 12, November 9, and December 14.

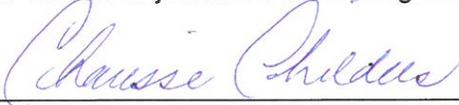
Mr. Garner recognized Dr. Brett Powell for his service on this board and congratulated him on his new position as Vice President of Finance and Administration at Henderson State University.

DIRECTOR'S REPORT

Dr. Charisse Childers briefed the board on activities within the agency. The complete report will be sent to the board.

ADJOURNMENT

Mr. Garner adjourned the meeting at 2:42 p.m.



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Dr. Charisse Childers, Ex-Officio Secretary  
Career Education and Workforce  
Development Board



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Mr. Michael Garner, Chair  
Career Education and Workforce  
Development Board