



**WORKFORCE**  
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**Joint Finance/Executive and  
Governance & Compliance  
Committee Meeting**



WELCOME



# 1. CALL TO ORDER AND NOTE OF QUORUM

Bobby Blanco, Board Chair



## 2. ACTION ITEMS

✓ ITEMS POSTED FOR ACTION

**A: Discussion and draft  
recommendation/action  
on the Chief Executive  
Officer's performance  
evaluation**

**Bobby Blanco, Board Chair**

**A: Discussion and draft  
recommendation/action  
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Officer's performance  
evaluation**

**Call For A Motion**

**MOTION**




**1<sup>ST</sup>:**








**2<sup>ND</sup>:**

**B: Discussion and Action to  
Approve the Financial  
Reallocation as  
Recommended by Staff  
and Accept the Financial  
Report for the period  
through January 2024**

**Laura Avalos, Fiscal Manager**

# Financial Report – January 2024

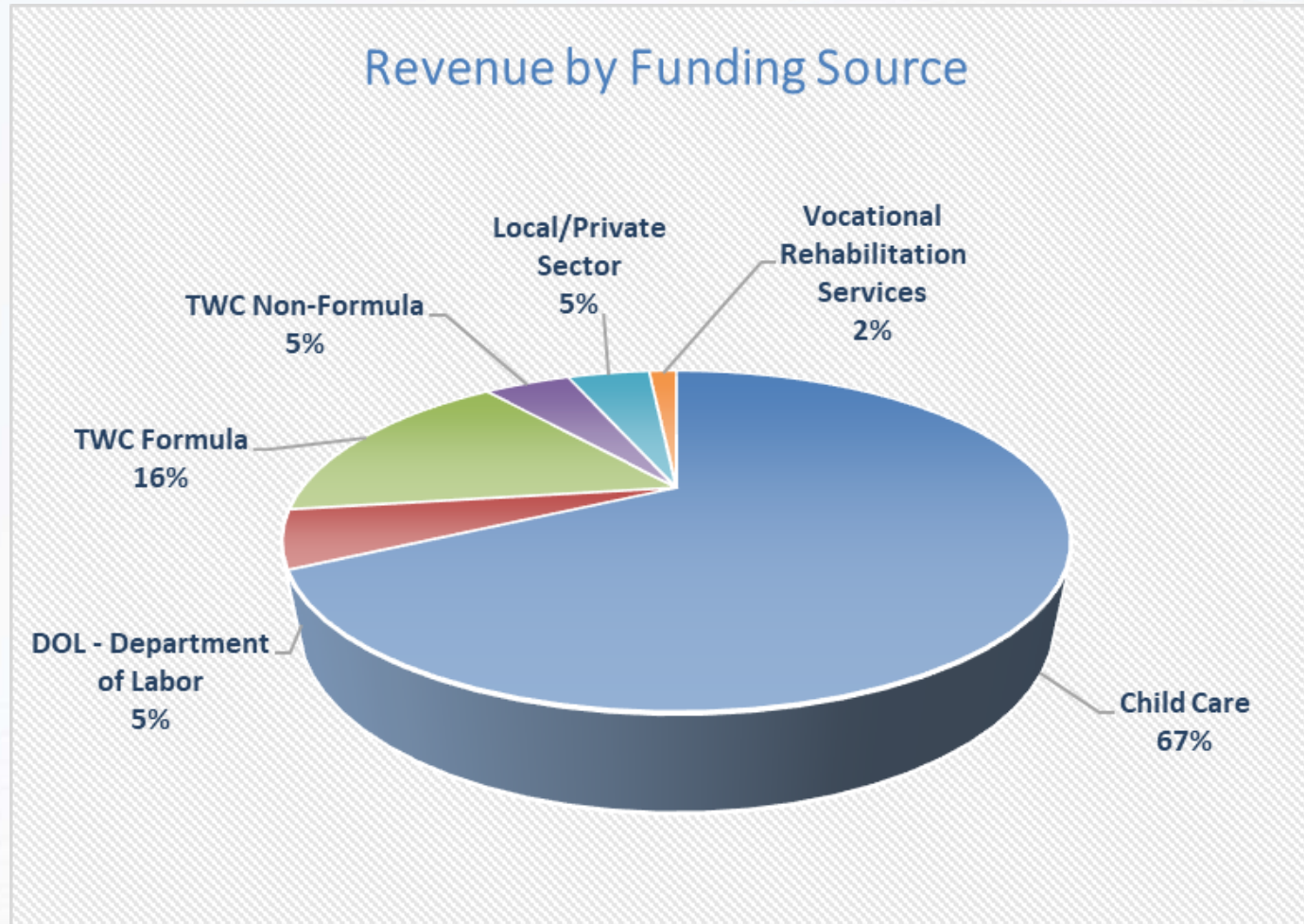
	<u>Annual Budget</u>	<u>YTD Expenses</u>	<u>Act %</u>		<u>Balance</u>		<u>Straight-line</u>	<u>StrL %</u>	<u>Act vs StrL %</u>
	\$ 71,516 K	\$ 23,568 K	33%		\$ 47,947 K		\$ 23,839 K	33%	 0%

Expense Category	Budget	Actual	Straight-line	Actual %	Variance %	Balance
Headquarters	\$7,025,091	\$1,839,124	\$2,341,697	26% 	-7%	\$5,185,967
Facilities, Fixtures & Equ.	\$1,827,250	\$523,793	\$609,083	29% 	-6%	\$1,303,457
Outs. Contracts & Other Prj.	\$5,860,252	\$575,018	\$1,953,417	10% 	-24%	\$5,285,233
Promotional Outreach	\$350,300	\$63,783	\$116,767	18% 	-15%	\$286,517
Child Care Services	\$45,625,010	\$18,172,854	\$15,208,337	40% 	5%	\$27,452,156
Targeted Case Mangement	\$259,229	\$134,229	\$86,410	52% 	18%	\$125,000
Contracted Workforce Svs	\$4,854,687	\$1,688,166	\$1,618,229	35% 	1%	\$3,166,521
Participant Related	\$5,589,071	\$571,219	\$1,863,024	10% 	-24%	\$5,017,852
To Be Developed	\$124,749	\$0	\$41,583			\$124,749

# FY24 Allocation - Amendment #3

ALL FUNDS REVENUE				
Funding Source	Previous Budget	Funds In/Out	New Budget	% of Budget
Child Care	48,984,645	-	48,984,645	67%
DOL - Department of Labor	3,940,382	-	3,940,382	5%
TWC Formula	11,873,822	-	11,873,822	16%
TWC Non-Formula	2,438,303	1,000,000	3,438,303	5%
Local/Private Sector	3,162,923	143,645	3,306,568	5%
Vocational Rehabilitation Services	1,115,563	-	1,115,563	2%
<b>Total</b>	<b>\$ 71,515,639</b>	<b>\$ 1,143,645</b>	<b>\$ 72,659,284</b>	<b>100%</b>

# FY24 Allocation - Amendment #3



# FY24 Allocation - Amendment #3

Allocation Category	Original Budget	Amendment #1	Amendment #2	Amendment #3	New Budget	% of Budget
Headquarters	6,382,688	642,403	-	-	7,025,091	10%
Facilities, Fixtures & Equipment	1,777,250	32,000	18,000	-	1,827,250	3%
Outsourced Contracts & Other Projects	5,964,896	(12,893)	(91,751)	129,592	5,989,844	8%
Promotional Outreach	330,400	17,900	2,000	2,000	352,300	0%
Child Care Services	47,742,351	(2,099,341)	(18,000)	-	45,625,010	63%
Targeted Case Management/Healthcare	250,000	9,229	-	-	259,229	0%
Workforce Services	4,500,000	338,499	16,188	72,500	4,927,187	7%
Participant Related	4,464,975	915,381	208,716	375,000	5,964,071	8%
To Be Developed	-	124,749	-	564,553	689,302	1%
<b>Total</b>	<b>\$ 71,412,560</b>	<b>\$ (32,074)</b>	<b>\$ 135,153</b>	<b>\$ 1,143,645</b>	<b>\$ 72,659,284</b>	<b>100%</b>

**B: Discussion and Action to  
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Report for the period  
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**Call For A Motion**

**MOTION**

**1<sup>ST</sup>:**

**2<sup>ND</sup>:**

**C: Status of RFP-FY24-260-129,  
Payment Management  
Services Provider, (CCS)  
contract; 4-year contract to  
be renewed annually.**

**Diana Velazquez,**  
Purchasing & Contracts Manager

# Payment Management Services Provider Contract

- Previously selected bidder declined the contract terms, creating a need to consider the incumbent
- Currently in Contract Negotiations with the YWCA El Paso Del Norte Region
- 4-Year Commitment, Renewed Annually Upon BOD Approval
- FY24 Contract: April 1, 2024 – September 30, 2024
- FY25 Contract: October 1, 2024 – September 30, 2025

**C: Status of RFP-FY24-260-129,  
Payment Management  
Services Provider, (CCS)  
contract; 4-year contract to  
be renewed annually.**

**Call For A Motion**

**MOTION**

**1<sup>ST</sup>:**

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# **D: Discussion and Action to appoint Governance & Compliance Committee Chair**

**Leila Melendez, CEO**

# D: Discussion and Action to appoint Governance & Compliance Committee Chair

**Call For A Motion**

**MOTION**

**1<sup>ST</sup>:**

**2<sup>ND</sup>:**



### 3. ADMINISTRATIVE REPORTS

- ✓ ITEMS NOT POSTED FOR ACTION

# A: Discussion and update regarding potential New Board Members

- Chelsie Evaldi – Owner, Chuco Relic
- Michelle Fenton – Director of Organizational Development, El Paso Electric

**Leila Melendez,**  
Chief Executive Officer

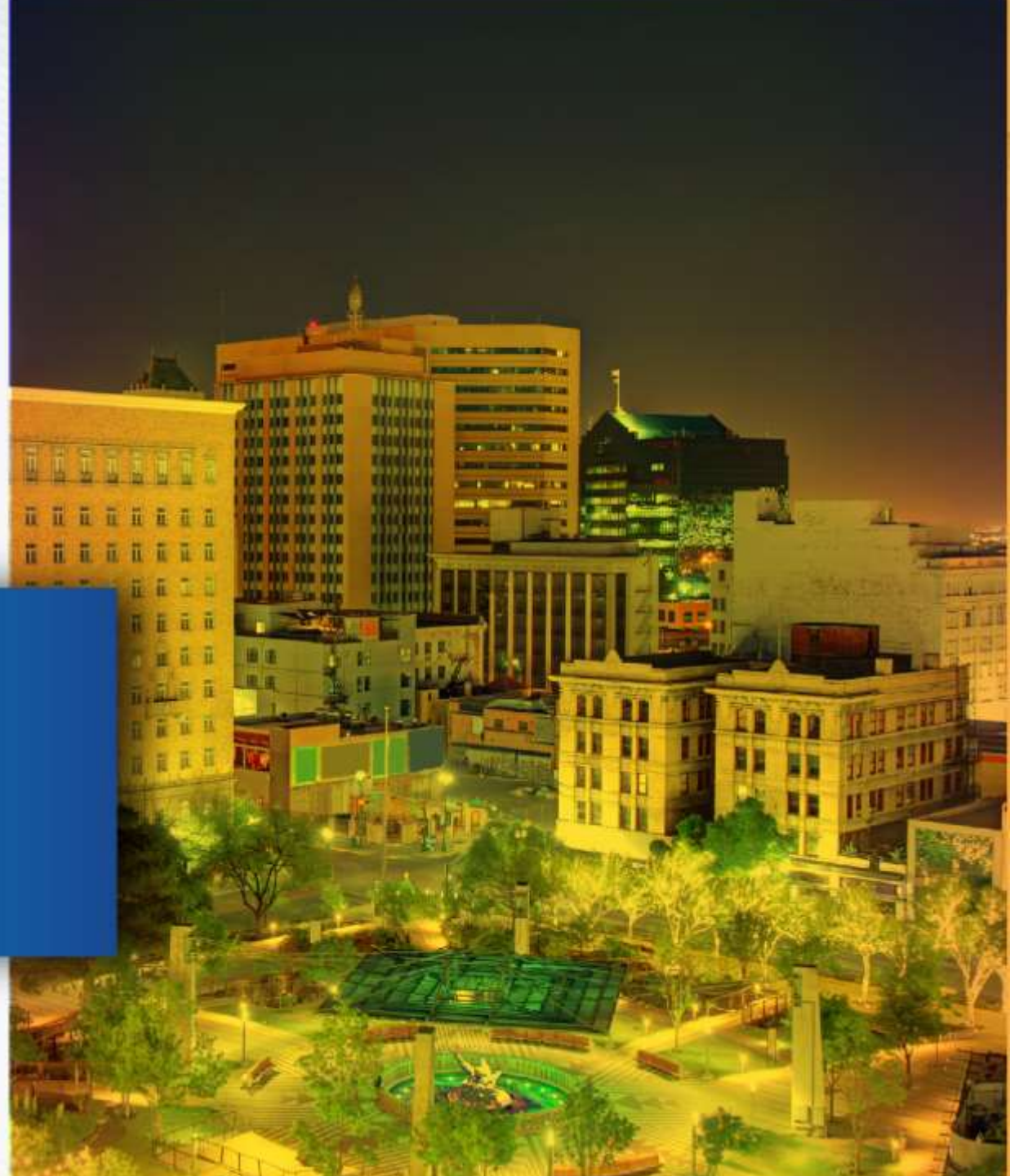
# B: Discussion and update on the monitoring activities for the period ending January 25, 2024

- Program Monitoring Reviews Outcomes and Actions taken
- Fiscal Monitoring Reviews Outcomes and Actions taken
- TWC Sub-recipient Monitoring Review

**Karina Castillo,**  
Organizational Effectiveness and Research  
Director; and  
**Melissa Sapien,**  
Organizational Effectiveness Specialist

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# Monitoring Reviews



# Importance of Program and Fiscal Monitoring Reviews

Program and fiscal monitoring reviews ensure compliance with federal, state, and local regulations

- Required for organizations receiving government funding
- Non-compliance can result in penalties and loss of funding
- Prevent fraud or mismanagement, ensure efficient resource allocation

# Program Monitoring Reviews

## Temporary Assistance for Needy Families (TANF)

### Scope of Review:

November 1, 2022 - October 9, 2023

### Overall error rate:

Pre-Corrections: 43%

Post-Corrections: In Progress

### Areas of Improvement:

Work Activities and Noncooperation

### Actions Taken:

The contractor has incorporated self-reviews and peer reviews to ensure cases are in compliance. The monitoring tool was revised to ensure the attributes reviewed were in alliance with program requirements and to improve program effectiveness.

# Program Monitoring Reviews

## National Dislocated Workers Grant (NDWG)

### Scope of Review:

November 1, 2022 - October 9, 2023

### Overall error rate:

Pre-Corrections: 18%

Post-Corrections: 11%

### Areas of Improvement:

Eligibility, Services, Activities, Counselor Notes, and Outcomes

### Actions Taken:

The contractor has incorporated self-reviews and peer reviews to ensure cases are in compliance. Technical assistance was provided to ensure understanding of program requirements.

# Program Monitoring Reviews

## Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T)

### Scope of Review:

November 10, 2023 - December 11, 2023

### Overall error rate:

Pre-Corrections: 5%

Post-Corrections: In Progress

### Areas of Improvement:

Work Activities and Noncooperation

### Actions Taken:

The contractor was **placed on a Technical Assistance Plan (TAP)** effective November 10, 2023, and is progressing in the right direction by reducing the error rate from 45% to 5%.

# Program Monitoring Reviews

## Noncustodial Parent (NCP) Choices

### Scope of Review:

November 10, 2023 - December 11, 2023

### Overall error rate:

Pre-Corrections: 4%

Post-Corrections: In Progress

### Areas of Improvement:

Noncooperation

### Actions Taken:

The contractor was **placed on a Technical Assistance Plan (TAP)** effective November 10, 2023, and is progressing in the right direction by reducing the error rate from 43% to 4%.

# Program Monitoring Reviews

External Programmatic Monitor: Booth Management Consulting (BMC)

## Childcare

**Scope of Review:** October 1, 2022 - September 30, 2023

### **Areas of Improvement:**

Subrecipient did not provide four parents a printed copy of their Rights and Responsibilities as provided by the Texas Administrative Code.

**Actions Taken:** Updates have been made to the local operating procedures to ensure participants are provided with their rights and responsibilities timely. Training will be conducted for staff including front line, supervisors, trainers, and quality assurance. This will ensure proper notice is provided and ensure documentation is filed accordingly.

# Fiscal Monitoring Reviews

External Fiscal Monitors - Martinez, Rosario & Company, LLP

## Grant Associates

### Scope of Review:

August 11, 2022 - September 30, 2023

### Areas of Improvement:

Financial Reporting – The audited financial statements did not comply with the Uniform Guidance and TWC Regulations. This was identified due to the lack of confirmation and reconciliation of federal grant award amounts transferred from WSB.

### Actions Taken:

Our internal finance department is working with Grant Associates to provide contractor with additional reporting criteria. The criteria will itemize each grant separately, categorizing them by federal/state agency, specifying the clusters to which each grant belongs, and including the assistance listing numbers to avoid any confusion on the pass-through funding to our contractors.

# Fiscal Monitoring Reviews

External Fiscal Monitors - Martinez, Rosario & Company, LLP

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## YWCA

### Scope of Review:

August 11, 2022 – September 30, 2023

### Areas of Improvement:

Budgeting & Financial Reporting – During the contract period of August 11, 2022, through September 30, 2023, the YWCA El Paso del Norte Region over expended \$5,737,560 in CCS Program Funds. The contractor is not in full compliance with all applicable compliance requirements and regulations as it overspent CCS program funds.

### Actions Taken:

- Regular TAP check-in meetings and monthly meetings with TWC and Contractor staff are held to address over-expenditures
- Interdepartmental collaboration is being established to ensure efficient monitoring of data reports, preventing over-enrollment of childcare participants, and staying within budgetary limits. This involves conducting data analytics and budgetary analysis.

# Fiscal Monitoring Reviews

External Fiscal Monitors - Martinez, Rosario & Company, LLP

## Project Arriba

### Scope of Review:

August 11, 2022 – September 30, 2023

### Areas of Improvement:

No issues found. Effective procedures seem to be working as designed.

# Sub-Recipient Monitoring (SRM) Review

Texas Workforce Commission, Division of Fraud Deterrence and Compliance Monitoring

## Dates of Review:

January 29, 2024 – February 9, 2024

## Scope of Review:

November 1, 2022 - October 31, 2023

## SRM's Mission:

SRM's mission is to provide an effective system of oversight and monitoring for members of the Texas workforce network and other contractors. In addition, TWC's overall goal is to ensure that administrative, organizational and managerial elements exist to support effective program management.

## Recertification:

During this review, the board will be up for recertification. The recertification process happens every 3 years. In this recertification year, the board monitoring function, which consists of programs and fiscal monitoring, will be reviewed and traced. SRM aims to trust and depend on WSB's monitoring function for the next 3 years.

# C: Discussion and update on Cybersecurity

**Adriana Chacon,**  
IT Director

# Borderplex TCF Assessment

AT&T Cybersecurity

- ❑ TWC took a proactive step of hiring AT&T Cybersecurity to conduct a security program maturity assessment for all boards.
- ❑ The assessment was evaluated using the Texas Cybersecurity Framework (TCF) and the Department of Information Resources (DIR) Security Control Standards Catalog. The purpose of the evaluation was to identify potential vulnerabilities and provide recommendations to enhance the security of the boards' operations.

Areas of Strength	Areas of Improvement (by Priority)
Cloud Storage and Security	Penetration Testing
System Communications Protection	Audit Logging and Accountability
Security Awareness and Training	Vulnerability Assessment
Disaster Recovery Procedures	Security Monitoring and Event Analysis
Cryptography	

# Diverse Portfolio of Vendors Offering Services

- ❑ Managed Security Services Provider (MSSP) for cybersecurity services and employee awareness training to reduce cyber risks in our network.
- ❑ Backup & Disaster Recovery Services.
- ❑ Disaster Recovery Plan.
- ❑ Management services to support our networking environment.
- ❑ On-site team manages helpdesk service.

## 4. EXECUTIVE SESSION

The Committee may vote to enter Executive Session – or a closed private session without public attendance – to take up the following item(s) in accordance with Chapter 551 of the Texas Government Code. No voting may take place in Executive Session. Any possible course of action discussed by the Committee in Executive Session must be taken up and voted on in the open, public session.

- A: Discussion regarding personnel matters (551.074 of the Texas Government Code)
- B: Consultation with legal counsel on a matter(s) which legal counsel is obligated to keep confidential (551.071 of the Texas Government Code)
- C: Discussion regarding personnel, possible claims, litigation matters, appeals, or other matters requiring advice of legal counsel (551.071 of the Texas Government Code)
- D: Discussion regarding pending or threatened litigation (551.071 of the Texas Government Code)

5. Discussion on items of interest for next agenda

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**Adjourn**