

## HAND-OUT

### Summary Report of the Audit Committee Meeting February 12, 2009 8:00 a.m.

The Audit Committee met on Thursday, February 12, 2009 at 8:00 a.m. in the Board offices. Members present were Pat Aulson, Committee Chair and Board Treasurer and Barbara Walton, Vice Chair. Staff members in attendance were Mike Purcell, CFO and Laurie Bouillion Larrea, President.

#### **Review of Continuing Coverage of Insurance**

Insurance coverage was reviewed and discussed by Mike Purcell (see attachment)

**RECOMMENDATION:** The Audit Committee recommends continuing coverage of Blue Cross/Blue Shield with a decrease of 8.5% allowing staff access and choice to either PPO or HMO, with the following change:

- Reduce coverage to spouse and dependents by 2%. We are proposing a reduction to 75% for the employer paid benefits this year.
- The Audit Committee recommends the addition of an EAP plan to our LTD plan with Assurant Employee Benefits. The cost is less than \$25.00 per month.
- Adding “wellness” programs during the year

Staff recommends for your consideration the option of adding a Blue Cross/ Blue Shield HSA plan for our employees as an option in addition to the HMO and PPO plans.

Based on Blue Cross proposals for the HSA, the combined cost of premiums and deductibles would actually be less cost to the organization. It would also provide cost benefits to the employees. Blue Cross will allow us to add the HSA as a third option to our policies.

**Workforce Solutions Greater Dallas**

**Plan 15, PD11**

**New Medical Rates from 03/01/2009 to 02/28/2010**

**HMO**

	# of Employees	Old Rate	New Rate	Increase	Monthly Increase	Yearly Increase	Percentage Increase
EE ONLY	7	\$ 759.73	\$ 724.91	\$ (34.82)	\$ (243.74)	\$ (2,924.88)	
E+CHILDREN	2	\$ 1,423.20	\$ 1,370.32	\$ (52.88)	\$ (105.76)	\$ (1,269.12)	
EE+SPOUSE	1	\$ 1,487.85	\$ 1,383.45	\$ (104.40)	\$ (104.40)	\$ (1,252.80)	
EE+FAMILY	3	\$ 2,151.30	\$ 2,028.88	\$ (122.42)	\$ (367.26)	\$ (4,407.12)	
	13					\$ (9,853.92)	-5.10%

	2008 Cost	2009 Cost
EE ONLY	\$ 63,817.32	\$ 60,892.44
E+CHILDREN	\$ 34,156.80	\$ 32,887.68
EE+SPOUSE	\$ 17,854.20	\$ 16,601.40
EE+FAMILY	\$ 77,446.80	\$ 73,039.68
	\$ 193,275.12	\$ 183,421.20

**PPO**

	# of Employees	Old Rate	New Rate	Increase	Monthly Increase	Yearly Increase	Percentage Increase
EE ONLY	8	\$ 649.89	\$ 574.03	\$ (75.86)	\$ (606.88)	\$ (7,282.56)	
E+CHILDREN	2	\$ 1,217.44	\$ 1,085.13	\$ (132.31)	\$ (264.62)	\$ (3,175.44)	
EE+SPOUSE	1	\$ 1,272.73	\$ 1,095.52	\$ (177.21)	\$ (177.21)	\$ (2,126.52)	
EE+FAMILY	4	\$ 1,840.27	\$ 1,606.61	\$ (233.66)	\$ (934.64)	\$ (11,215.68)	
	15				\$ (23,800.20)		-12.19%

	2008 Cost	2009 Cost
EE ONLY	\$ 62,389.44	\$ 55,106.88
E+CHILDREN	\$ 29,218.56	\$ 26,043.12
EE+SPOUSE	\$ 15,272.76	\$ 13,146.24
EE+FAMILY	\$ 88,332.96	\$ 77,117.28
	\$ 195,213.72	\$ 171,413.52

Total: **\$ (33,654.12) -8.50%**

**\$ 388,488.84 \$ 354,834.72**

**HMO**

AS OF 3/1/08	Blue Cross Medical Monthly	Principal Dental Monthly	Total Monthly	Annual	Pay Period	Employer Pay Period	Employee Pay Period	Expense Pay Period
EE ONLY	\$ 724.91	\$ 43.80	\$ 768.71	\$ 9,224.52	\$ 354.79	\$ 354.79	\$ -	\$ 2,483.52
E+CHILDREN	\$ 1,370.32	\$ 84.68	\$ 1,455.00	\$ 17,460.00	\$ 671.54	\$ 592.35	\$ 79.19	\$ 1,184.70
EE+SPOUSE	\$ 1,383.45	\$ 87.60	\$ 1,471.05	\$ 17,652.60	\$ 678.94	\$ 597.90	\$ 81.04	\$ 597.90
EE+FAMILY	\$ 2,028.88	\$ 128.46	\$ 2,157.34	\$ 25,888.08	\$ 995.69	\$ 835.46	\$ 160.23	\$ 2,506.39

Employee Share at 25% dependent	2008
\$ -	\$ -
\$ 79.19	\$ 74.37
\$ 81.04	\$ 81.52
\$ 160.23	\$ 155.89

**PPO**

AS OF 3/1/08	Blue Cross Medical Monthly	Principal Dental Monthly	Total Monthly	Annual	Pay Period	Employer Pay Period	Employee Pay Period	Expense Pay Period
EE ONLY(3)	\$ 574.03	\$ 43.80	\$ 617.83	\$ 7,413.96	\$ 285.15	\$ 285.15	\$ -	\$ 2,281.20
E+CHILDREN	\$ 1,085.13	\$ 84.68	\$ 1,169.81	\$ 14,037.72	\$ 539.91	\$ 476.22	\$ 63.69	\$ 952.44
EE+SPOUSE	\$ 1,095.52	\$ 87.60	\$ 1,183.12	\$ 14,197.44	\$ 546.05	\$ 480.83	\$ 65.23	\$ 480.83
EE+FAMILY	\$ 1,606.61	\$ 128.46	\$ 1,735.07	\$ 20,820.84	\$ 800.80	\$ 671.89	\$ 128.91	\$ 2,687.55

Employee Share at 25% dependent	2008
\$ -	\$ -
\$ 63.69	\$ 64.19
\$ 65.23	\$ 70.58
\$ 128.91	\$ 134.53

TOTAL EXPENSE PER PAY PERIOD **\$ 13,174.54**

TOTAL ANNUAL EXPENSE **\$ 342,538.10**

Less: 2009 Budget **\$ 367,987.00**

Over (Under) Budget **\$ (25,448.91)**



**Addendum**  
**President's Briefing – Item B (page 32 Board packet)**  
**Authorization of Contracts, Partnerships and Agreements**

**I. Strategic Workforce Initiatives**

Workforce Solutions Greater Dallas issued a Request for Proposals (RFP) for Strategic Workforce Initiatives for the Dallas Workforce System. The deadline for submission of additional proposals was February 12, 2009. The strategies targeted included:

- **Current Worker Training**
- **Rapid Re-employment of UI Claimants**
- **Veterans Employment Initiatives**
- **Innovative Older Youth Programs**
- **Ex-offender Employment Initiatives**

We received seventeen (17) proposals in response to the Strategic Workforce Initiatives. Based on the evaluation results of the procurement, staff recommends negotiations with proposing entities scoring 70 and above.

**RECOMMENDATION:** Board authorization of contracts as negotiated for the following proposers at costs not-to-exceed amounts indicated below effective from February 18, 2009 through August 30, 2009 pending availability of funds. Staff will return with final contract amounts in April.

\*Board authorization of contracts only upon successful negotiations to address program performance issues, allowability of activity, compatibility to current system, and/or costs.

**Current Worker Training**

Proposing Entity	Proposing Entity's Cost	Score
Parkland Health & Hospital System	\$124,025.00	75.4
Green Oaks Behavioral Healthcare Service	\$6,655.00	73.8
Children's Medical Center Dallas	\$60,500.00	73.4
Metrocrest Hospital Authority dba RHD Memorial Medical Center	\$44,467.50	73.4
Interstate Batteries*	\$201,200	72
Masco Builder Cabinet Group	\$287,671.75	61.60
Cedar Valley College	\$107,602	59.40

**Rapid Re-employment of UI Claimants**

Proposing Entity	Proposing Entity's Cost	Score
SER JOBS for Progress Inc. Irving*	\$522,765.00	73.20
Business Access LLC, Dallas	\$5,801,250.00	57.60
Business Access LLC, Dallas	\$1,350,000.00	57.20
IB Communication Skills, Dallas	\$551,800.00	44.80
CGI Cartgroup International, Coppell	\$150,000.00	37

**Veterans Employment Initiatives**

Proposing Entity	Proposing Entity's Cost	Score
El Centro College, Dallas*	\$19,040.00	70.20

**Innovative Older Youth Programs**

Proposing Entity	Proposing Entity's Cost	Score
Business Access LLC, Dallas	\$4,284,000.00	62.20
El Centro College, Dallas	\$95,000.00	61.80
Job Prep Center, Inc., Grand Prairie	\$16,330.00	42.60

**Ex-offender Employment Initiatives**

Proposing Entity	Proposing Entity's Cost	Score
Hogg Automotive Training Academy	\$309,321.00	64.20

**Project Summaries**

**Parkland Health & Hospital System** – proposed certifications in critical and emergency care for 410 registered nurses.

**Green Oaks Behavioral Healthcare Service** – proposed certifications in critical and emergency care for 22 registered nurses.

**Children's Medical Center Dallas** – proposed certifications in critical and emergency care for 200 registered nurses.

**Metrocrest Hospital Authority dba RHD Memorial Medical Center** – proposed certifications in critical and emergency care for 147 registered nurses.

**Interstate Batteries-** proposed to train 300 current employees, which includes 20 new hires. Training includes: Microsoft Office Systems, Communications, Management, etc. All students will receive training resulting in certifications.

**SER – Jobs for Progress National, Inc. -** proposed an innovative program to place and prepare 200 UI claimants for work. Of those assessed as requiring more intensive services, 100 will be selected for a paid internship component for up to 8 weeks. The initiative consists of:

- 1) workshops and seminars in soft skills, job readiness, and special topics such as stress management, etc
- 2) Testing and assessment,
- 3) Job club with interactive activities and guest speakers
- 4) Internship
- 5) Employment Assistance
- 6) Targeted job fairs
- 7) Job Placement
- 8) Follow-up and monitoring

**El Centro College-** proposed a Machine Shop Skills program in partnership with HIS Bridgebuilders to deliver training to 20 Veterans. The Machine Shop Skills Program is a short-

term skills program targeting veterans and will result in employment. All program completers will receive continuing education credits and a certificate of completion from the college.

**Addendum**  
**President’s Briefing – Item B (page 32 Board packet)**  
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**II. Childcare Quality**

Workforce Solutions Greater Dallas issued a Request for Proposals (RFP) for Activities and Initiatives to Enhance the Quality of Available Child Care for the Dallas Workforce System. The deadline for submission of proposals was NOON, CST on February 17, 2009. The purpose of the procurement is to increase the quality of childcare in low-income areas of Dallas County by promoting education, training, professional credentialing and facility accreditation to enhancing care already available.

We received three (3) proposals in response to the Activities and Initiatives to Enhance the Quality of Available Child Care RFP. Based on the evaluation results of the procurement, staff recommends negotiations with the proposing entities scoring 70 and above.

Proposing Entity	Cost	Score
Eastfield College of Dallas County Community College District, Dallas	\$32,464	85
Foundation for Community Empowerment (FCE), Dallas	\$341,550	76.7
Foundation for Community Empowerment (FCE), Dallas	\$81,190	64.7

**RECOMMENDATION:** Board authorization of contracts as negotiated for **Eastfield College of Dallas County Community College District** to provide activities and initiatives to enhance the quality of available childcare at cost not-to-exceed that provided in the above table, effective from March 2, 2009 through September 30, 2009. Provided additional money becomes available, authorization to negotiate with **Foundation for Community Empowerment (FCE)**. Due to the magnitude of the proposal, the relatively low score and several questions with the budget, staff recommends delaying this opportunity until mid-year (April) to review expenditures.