



## Legislation Text

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**File #:** 19-0779, **Version:** 2

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**Agenda Item Name:**

CareerSource Memorandum of Understanding

**Presenter:**

Tommy Crosby, Assistant County Manager, and David Forziano, Senior Assistant County Attorney

**Description:**

Memorandum of Understanding with CareerSource North Central Florida

**Recommended Action:**

Approve Memorandum of Understanding with LWDB 9 d/b/a CareerSource North Central Florida to create an imprest account and provide short term operational financial assistance .

NOTE: Memorandum of Understanding is not attached to this item and will be provide to the Board as soon as available.

**Prior Board Motions:**

December 3, 2019: Approved Second Amendment to ILA with Bradford County and Chair Letter to LWDB 10.

November 12, 2019: Direct County staff with work with DEO, LWDB 9 staff and State regarding modifications to LWDB 9, request joint meeting with Bradford County and request LWDB 10 to notice meeting for Sunshine purposes.

October 24, 2019: Approve Chair Letter to Ken Lawson.

**Fiscal Consideration:**

An Imprest Account will be set up to facilitate payments between the Career Source Board and the County Board to expedite payments to providers. As invoices are approved by the Department of Economic Opportunity, the County will deposit funding, (estimated at \$500,000 - \$750,000) into the Imprest Account for the Career Source Board to pay the providers. This is a temporary measure while the Bradford County and Alachua County reorganize the Career Source Board.

**Background:**

By letter dated September 27, 2019, the Florida Department of Economic Opportunity ("DEO") changed LWBD 9's access to grant funds from a drawdown basis to a cost reimbursement basis only, among other things. LWBD 9 does not have sufficient operating capital to operate on a cost reimbursement basis, so it is unable to pay the invoices it has received from a majority of its vendors and sub-recipients. As a result, said vendors and sub-recipients have indicated that they intend to discontinue services, including direct services to job seekers and local businesses. In an effort to avoid such service interruptions, Alachua County staff and attorneys have been working closely with representatives from DEO, Bradford County, LWDB 9, and LWDB 9's Administrative Entity, FMS, to

develop a temporary solution while the parties continue to work towards resolving the underlying issues.

Staff will present a proposed Memorandum of Understanding. The terms of the Memorandum of Understanding have been determined but the agreement is still being drafted and will be provided as soon as it is available. Pursuant to the Memorandum of Understanding, the following will occur: (1) LWDB 9 will create a new bank account (the "Imprest Account"); (2) Alachua County will provide short term operational financial assistance to LWDB 9 in an amount not to exceed \$750,000.00 by making deposits, in amounts equal to invoices that are pre-approved by DEO, into the Imprest Account; (3) All disbursements from the Imprest Account will require one signature from a representative of LWDB 9 and one signature from either James Moore & Co, P.L. or a representative of Alachua County; and (4) the Imprest Account will be solely dedicated to the following: (a) receiving funds from Alachua County to pay invoices that are pre-approved for payment by DEO, (b) paying said invoices that are pre-approved by DEO and for which Alachua County has also approved for payment from the Imprest Account, and (c) receiving reimbursement payment from DEO. Any interest earnings that may accrue on cash balances in the Imprest Account will be payable to Alachua County. Alachua County has the right to terminate the Memorandum of Understanding at any time, with or without cause, and immediately upon service of written notice to LWDB 9. Short term operational financial assistance provided by Alachua County will only used to pay invoices that are pre-approved for payment by DEO.