

★ Roll Call Number

Agenda Item Number

46

Date May 22, 2006

Request to speak from James Quinn, 847 Oak Park Avenue, regarding CIETC.

Moved by _____ to receive and file comments.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BROOKS				
COLEMAN				
HENSLEY				
MAHAFFEY				
KIERNAN				
VLASSIS				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

_____ City Clerk

REGISTRATION FORM TO SPEAK AT CITY COUNCIL MEETING

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FILED

To: The Honorable Mayor
and
Members of the City Council
City of Des Moines, Iowa
c/o City Clerk

2006 MAY 11 AM 10:43

CITY CLERK
DES MOINES, IOWA

I/We James W. Quinn
(Please Print)

hereby request permission to speak at the Des Moines City Council
meeting of _____, regarding

Negative comments made about me to
all local elected officials from Archie Brooks
dated 3/27/06

Name: James W. Quinn
(Signature)

Address: 847 Oak Park Avenue

Daytime Phone: 883-1570

PROCEDURAL RULES OF DES MOINES CITY COUNCIL:

Part III. Agenda

Rule 16. Citizen Agenda Requests. Any citizen may request the right to have an item placed on the Agenda (including a request to speak) by filing such request in writing with the City Clerk prior to noon on the Wednesday preceding the Council meeting.

Part V. Citizen Participation

Rule 27. Citizen's Right to Address Council. Persons other than Council Members shall be permitted to address the Council only upon specific Agenda Items.

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Date: March 27, 2006

To: LEOs and RWIB Members

From: Archie Brooks

I want to bring you up to date on what has been happening at CIETC for the past five months. Iowa Workforce Development (Rich Running and Jane Barto) has had severe employee issues that have caused two of IWD employee's claiming fraud and malfeasance at IWD and CIETC. The \$200,000 of PROMISE JOBS funds that IWD provided to CIETC on June 30, 2005 appears to have prompted these individuals to make their claims to the State Auditors Office and the Department of Labor. The claims are baseless as far as I am concerned. These individuals have also requested protection under the Federal whistle blower law. Both individuals, James Quinn and Kelly Taylor, work in the fiscal department at IWD. This is not the first time these individuals have created problems for IWD by contacting the State Auditors Office.

On November 10, 2005, Annette Campbell and Corinne Johnson from the State Auditor's Office met with Ramona Cunningham, John Bargman and Karen Tesdell requesting to do Performance Monitoring of all contracts with Iowa Workforce Development. They stated it would take a few days, but it has lasted five months. We have talked to the Auditors Office and made arrangements that the report be sent directly to your home address for your review. I do not know what is in the report; however, I can only provide you with some of the documents that CIETC provided to the auditors concerning the \$200,000 modified to our PROMISE JOBS contract. As I stated at our July Board meeting, these dollars were paid as bonuses to PROMISE JOBS staff as allowed in our personnel policies. Mr. Kelly Taylor delivered the check and was told how the money would be expended; Mr. Taylor agreed that was ok and allowable by our policies.

As a result of this review, I feel the Auditor's Office may make an issue of the compensation system at CIETC including the level of compensation provided to staff. As you may recall, several years ago, the Board decided to no longer provide merit increases or to use a system of salary steps for staff. Instead, the Board elected to hold wages at the level at that time and to utilize a system of bonus payments. This was done to better manage the budget and to avoid cutting wages or doing layoffs during lean budget years. Over the last several years, CIETC's compensation system has been reviewed annually by our independent auditors, twice a year by Iowa Workforce Development staff and by the Department of Labor. The only comment we have received was from the Department of Labor. In December 2004, the Department of Labor

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conducted a fiscal review. They had suggestions on how to better improve our compensation system especially for administrative staff, but had no comments on the level of compensation we provide staff. They requested that we sign an Employment Agreement with the Chief Executive Officer, the Chief Operating Officer and the Chief Accountant. After the Department of Labor reviewed the agreements, the agreements were implemented. Copies of these agreements along with the DOL monitoring report and response were provided to the Board previously.

At the beginning of this review process, I took steps to ensure CIETC was not at risk. First, I stopped bonus payments for all staff, I requested that Ramona and John meet with IWD to obtain technical assistance and to provide documentation on CIETC's policies and procedures. Also, I ordered that an independent wage survey be conducted to again verify our compensation levels. This was completed in January 2006. The Contractor that conducted the survey, started with the Department of Labor to obtain ideas on whom to survey. Based on the results of the survey, the wages that are paid to our three administrative staff are justified; this has varied over a 2-year period from \$117,344 to \$368,236. Please refer to the attached survey. In addition, I discussed this issue with the Board in November at which time we changed our process to include the Executive Committee in the bonus process. It should be noted that the amount of wages paid to staff is not in question; what may be in question is whether or not it is an allowable federal cost. Based on the wage survey, this should not be an issue. It should also be noted that the CIETC compensation level has not impacted on our ability to serve the citizens in our region; in fact we have increased the number of participants we have served. During Program Year 2001 the Board made a decision to actively pursue local, state, and federal grants. This increased the number of people served in our region to a high of 12,873 in one year. This is an increase from 5,457 in PY 2000. Also, it has not caused any staff reductions.

I am enclosing several documents for your review:

1. E-mails from Kelly Taylor on the \$200,000
2. Letter from IWD which addresses bonuses and salaries paid at CIETC.
3. Page on bonus policies from CIETC personnel policies.
4. E-mails from the Department of Labor on employment agreements
5. DOL monitoring report
6. List of all employees that have received a bonus
7. Employment Agreements
8. Participants served by year
9. Revenue by year
10. Wage survey