

NORTEC  
WIB AND GOVERNING BOARD AGENDA  
THURSDAY, APRIL OCTOBER 2728, 2011  
109:00 AM – 12:00 PM  
HOLIDAY INNGAIA SHASTA HOTEL  
4125 RIVERSIDE PLACE1900 HILLTOP DRIVE  
ANDERSON, CA 96007REDDING, CA 96002

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES, JANUARY JULY 2827, 2011 (ACTION)

The minutes from the January July 2827, 2011, meeting are ached: [Minutes](#)

**Recommended Action:**

***WIB approval of the January 27July 28, 2011, minutes, with revisions if needed, as posted.***

***Governing Board approval of the January 27July 28, 2011, minutes, with revisions if needed, as posted.***

IV. APPROVAL OF AGENDA (ACTION)

**Recommended Action:**

***WIB approval of the agenda, with revisions if needed, as posted.***

***Governing Board approval of the agenda, with revisions if needed, as posted.***

V. WIB APPOINTMENTS (ACTION)

There are no vacancies on the NoRTEC WIBDouglas Houston resigned from his community college representative seat on the NoRTEC WIB. A letter has been received from the Board of Trustees of the Butte-Glenn Community College District., nominating Dr. Kimberly Perry, Butte College President, to fill the vacant seat on the NoRTEC Workforce Investment Board.

Kimberly Perry      Community College – At Large

 [Nomination Letter](#)

 [WIB Application](#)

**Recommended Action:**

***Governing Board appointment of the above individual to the NoRTEC Workforce Investment Board.***

## VI. PUBLIC COMMENT

Members of the public will be invited to make brief comments regarding any aspect of NoRTEC business.

## EXECUTIVE COMMITTEE REPORT

The Executive Committee met on April 13, 2011. T. Cochran, Executive Committee Chair, will give the report.

➡ [Executive Committee Meeting Minutes](#)

### Butte PIC Dissolution (Discussion)

S. Knox will provide a summary of the Executive Committee's discussion of the Butte PIC's dissolution.

### Current WIA Services in Butte and Nevada Counties (Discussion)

Traci Holt and Kathy Schmitz will provide a brief update on the current WIA services in Butte and Nevada Counties.

### Proposed PY 2011/2012 Service Provider Contract Additions (Action)

➡ [Proposed Contract Language](#)

Staff proposed new contract language as a result of the Butte PIC's dissolution. The new language codifies current NoRTEC policy regarding expenditure requirements and clarifies NoRTEC's legal rights when Service Providers are out of compliance with those requirements. The WIB Executive Committee reviewed the proposed language and is recommending approval.

### **Recommended Action:**

***WIB approval of the proposed changes to Service Provider contract language, effective July 1, 2011.***

***Governing Board approval of the proposed changes to Service Provider contract language, effective July 1, 2011.***

### Formation of Non-Profit Organization (Action/Discussion)

The formation of a non-profit organization was discussed at the April 13, 2011, meeting. The Executive Committee is recommending the WIB direct staff to proceed with the formation of a non-profit to complement the goals of NoRTEC.

There is no recommended action for the Governing Board. If the Governing Board wishes to discuss this issue, NoRTEC's attorney will be available to answer questions.

### **Recommended Action:**

***WIB approval of staff proceeding with the formation of a non-profit entity to complement the goals of NoRTEC.***

**Recommended Action:**

***WIB approval of the Executive Committee Report.***

***Governing Board approval of the Executive Committee Report.***

VII. **PROGRAM COMMITTEE REPORT**

Michele Piller, Program Committee Chair, will present the Program Committee report.

A. **Program Monitoring (Information)**

NoRTEC has schedule mid-program year program monitoring visits in October-December of this year. The results of these monitoring visits will be reported at the January 2012 meeting.

**SMART of Tehama CountyYP**

NoRTEC staff conducted monitoring visits of special projects in late January and early February. Projects monitored included MCLAUS VIII, Pathways Out of Poverty, SESP, and Clean Tech programs.

There were no findings at Smart (Shasta and Trinity Counties) or the Job Training Center (Tehama County).

The files at the Butte PIC (Butte and Nevada Counties) were not in order. Eligibility documentation was missing or incorrect in many of the files, and documentation of participant training plans and progress through the program was inadequate. Shortly after the on-site review, the Butte PIC closed its doors. Since then, staff from AFWD (Butte County) and the Job Training Center (Nevada County) have been gathering missing documentation and are attempting, when possible and appropriate, to reconstruct what services were provided and the outcome of each participant's experience.

Special project monitoring for RHS (Del Norte County), STEP (Siskiyou County), and AFWD (Lassen, Modoc, Plumas, Sierra Counties) will be combined with spring program monitoring on-site reviews tentatively scheduled for:

May 24-25            Smart (Shasta and Trinity Counties)

May 26-27	Job Training Center (Nevada and Tehama Counties)
June 14-15	RHS (Del Norte County)
June 16-17	STEP (Siskiyou County)
June 27-July 1	AFWD (Butte, Lassen, Modoc, Plumas, and Sierra Counties)

B. State/Federal Monitoring (Information)

State Monitoring of NoRTEC – The State State conducted a review of NoRTEC’s Youth programs the week of January 10, 2011. The NoRTEC office, Smart, the Job Training Center, and the Butte PIC were reviewed. The final report has been received, and as indicated in the January meeting, there were no findings. To view a copy of the report, click on the link below:

 [Monitoring Report](#)

Federal Monitoring of NoRTEC – The Department of Labor reviewed NoRTEC’s Pathways out of Poverty program on February 15-18, 2011. The monitor visited the NoRTEC Administrative Offices and visited Smart in Redding.

Overall, DOL seemed pleased with how quickly NoRTEC started the Pathways Out of Poverty project and how many participants we have enrolled and served. NoRTEC’s Adult, Youth, and Dislocated Worker programs were reviewed by the State during the week of October 17, 2011. The monitor visited the administrative office, and conducted file reviews in Butte, Plumas, Shasta, and Tehama Counties. A preliminary report will be given at the meeting.

The monitor shared some concerns during the Exit Conference, however, about a few administrative issues (e.g., Civil Rights statement missing a clause, not all outreach materials contained a clause acknowledging the program was funded through the Department of Labor, the “need” for a written implementation plan so NoRTEC could track the “daily work of staff” and track progress towards goal achievement, etc.), and a request for more detail in the participant files with respect to how the worksite training activities of each participant promotes employment in energy efficiency or renewable energy industries.

NoRTEC is addressing these issues and once we receive a formal, written report from DOL, it will be shared with the WIB and Governing Board.

C. Client Enrollment and Contract Performance (Information) Client Numbers (Information)

The transition to the Virtual One Stop System  (VOS), has been less than smooth. After several months of data clean-up, staff training, and entry of new participant data, NoRTEC was finally able to submit participant reports to the State in mid-April.

While the “data in” portion of the transition to a new system seems to be under control, the “data out” (in the form of reports) is not. Staff is still working on

understanding the structure of the database in VOS, and trying to understand how to operate the reports module of the system.

It should be noted this was expected, and once NoRTEC staff become more comfortable with the system, regular quarterly reports will resume. Job Seekers Enrolled in the WIA Program [Enrollments](#)

WIA Service Provider Contract Performance ➡ [Adults/Dislocated Workers](#)

WIA Service Provider Contract Performance ➡ [Youth](#)

RHS (Del Norte County) is not meeting the Entered Employment Rate for Adults. A corrective action plan has been requested.

RHS (Del Norte County), Smart (Shasta/Trinity Counties), and the Job Training Center (Tehama/Nevada Counties) did not meet the Entered Employment Rate in MCLAUS VIII. Even though the program has ended, there are still about 1/3 of the participants active under another funding source, so the figures on the performance report are not a true projection of final performance. In addition, the Entered Employment Rate of 86%, negotiated when the contract was first issued between the State and NoRTEC, is extremely high for economic climate during the course of the contract. The current negotiated Entered Employment Rate for Dislocated Worker programs is 74%.

All of the programs are missing one of the three performance objectives for the youth program. The number of participants counted in these statistics is extremely small at the end of the first quarter, so these performance figures are not alarming or uncommon. If performance is still below the goals at the end of the second quarter, a corrective action plan will be requested.

#### Contract Performance (Information)

The same issues affecting Client Numbers (above) are also affecting the reporting of Contract Performance.

#### D. Plant Closure Updates (Information)

There have been over a thousand plant closures and several thousand workers laid off throughout NoRTEC since we began tracking this information in PY 2000. The plant closure website is updated as additional closures occur.

To view the report, click on the link below and enter ">=" and "071/01/2011" in the "Date Closed" field to review closures/layoffs reported since the January July 1 meeting (over 55 54 company closures/layoffs and 819700+ workers affected):

➡ [Plant Closure Report](#)

[Plant Closure Report](#)

#### E. Headline Program Reports (Information)

Tim Hoone, Director of the Workforce Center at Rural Human Services, will provide a brief update on the tsunami damage to the harbor in Crescent City and plans to assist with clean-up and restoration. NoRTEC has applied for \$5 million of National Emergency Grant funding to assist the Workforce Center to employ 214 workers to assist with the clean-up/restoration efforts. Bob Chauduri, Vice-President, and Don Rich, Plant Manager will showcase Kiara Solar's investment in Shasta County. Mr. Chauduri will provide an overview of the plant and operations, and Mr. Rich will discuss training programs and incentives.

In addition to the "Headline" presentation, members are encouraged to read the Community Coordinator Reports. These reports are prepared to inform interested members of the events and happenings in their respective counties. Following are links for the reports received for the period ending March 31/September 30, 2011:

[Alliance for Workforce Development \(Butte County\)](#)

[Rural Human Services \(Del Norte County\)](#)

[Alliance for Workforce Development \(Lassen County\)](#)

[Alliance for Workforce Development \(Modoc County\)](#)

[Job Training Center \(Nevada County\)](#)

Job Training Center (Nevada County)

[Alliance for Workforce Development \(Plumas County\)](#)

[Smart Business Resource Center \(Shasta County\)](#)

Smart Business Resource Center (Shasta County)

[Alliance for Workforce Development \(Sierra County\)](#)

[STEP \(Siskiyou County\)](#)

[Job Training Center \(Tehama County\)](#)

Job Training Center (Tehama County)

[Smart Business Resource Center \(Trinity County\)](#)

A few highlights from this quarter's reports are:

- [Butte County](#) – AFWD has done a great job outlining activities in Butte County since they began operations on March 8, 2011. Reading the entire report will bring the members up-to-date on the many wonderful things currently happening in Butte County. Review the attached report for an exciting and informative report on everything that is going on throughout the county!
- [Del Norte County](#) – Rural Human Services has been very active in the response effort to the March 11 tsunami. Check out their report for the particulars of the relief efforts. Check out the update on the Tsunami project—more than 250 individuals have gone to work to help with the restoration of their local community.
- [Lassen County](#) – Nor Cal Wireless, a Northern California US Cellular authorized retailer, just opened an office in Susanville in January. AFWD was able to assist the owner with hiring of new employees, and he was impressed with how quickly AFWD provided him qualified, motivated candidates. AFWD, in

partnership with the Lassen County Economic Development Department, is offering customized training to Lassen County entrepreneurs and small businesses (fewer than five employees). This training will be offered free of charge and will help the businesses identify resources/training they will need to start, maintain, and grow their business.

- Modoc County – AFWD presented their annual Labor Law Update workshop. Nineteen employers throughout the county attended the popular workshop, and received information on heat illness regulations, worker’s compensation regulation changes, wage claim appeals, and bond requirements. The historic Niles Hotel on Main Street in Alturas reopened on October 1. The business, which has already hosted several local events, will include a saloon and the Niles Coffee Company.
- Nevada County – There will be no report this quarter. In July, the Job Training Center was awarded a High Concentration of Eligible Youth Grant to serve 12-15 disadvantaged youth at the Park Avenue High School campus in Grass Valley. Youth enrolled in this program will have the opportunity to work in wood shop classes to encourage and motivate them to improve their school attendance and academic achievement. Currently, eight students are participating in the program and at the end of September, four of the students earned awards for missing two days or less of school. One student was so excited to earn an award he gave Nicola, Job Training Center Case Manager, a big bear hug!
- Plumas County – AFWD conducted a county-wide survey of Plumas County businesses. Particulars of the survey are outlined in the report. The good news is 77.5% of the businesses surveyed are currently maintaining or growing their business. In September, AFWD participated in the annual Feather River College Career Fair. More than 250 senior high school students from Plumas and Sierra Counties attended this event that assists them with career planning.

Shasta County – Report not posted. Two of Smart’s employees, Kim Cobbler and Heather Kelnhofer, were nominated for the Chamber of Commerce 2011 Awards of Distinction. This nomination is in recognition of their services to their local community. Congratulations to both Kim and Heather!

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- Sierra County – AFWD, in partnership with several other businesses from the private and government sectors, gave the seniors at Loyalton High School valuable practice and advice during “interview sessions.” Feedback was given to the seniors after their sessions to help them with future interviews. AFWD presented a workshop for local job seekers last quarter with the “catchy” title of *How to Blow an Interview in the First Five Minutes*. Attendees of the workshop, new job seekers and seasoned interviewees alike, enjoyed the workshop, said they learned a lot, and asked that it be presented again.

- Siskiyou County – STEP assisted a new employer, Pilot Travel Centers, with the recruitment and hiring of 43 new employees in January 2011. In addition to recruitment and screening of more than 230 applicants, STEP also provided the business with a site to conduct interviews and conduct two day orientations for new hires. The General Manager commented, “I don’t know what I would have done without STEP’s help to get us up and running on schedule. They are a valuable resource to the community and we appreciate their help.” Check out some heartwarming participant success stories in STEP’s report this quarter!
- Tehama County – The Job Training Center, Tehama County Farm Bureau, and the Tehama County Air Resources Board hosted an Ag Forum on March 1, 2011. Presentations by the host agencies and a two hour workshop on Truck and Bus Agricultural Vehicle Provisions Compliance and Reporting was well received by the 50+ people attending this event. In August, the Job Training Center began a five week course called *Job Connect*. This series was designed to provide job seekers with community networking opportunities and practical job hunting information.
- Trinity County – Report not posted Smart hosted California Food Handlers Certificate training on September 18 at the Trinity County Library in Weaverville. The classes are being offered to local food service employees to meet the requirements of SB602. Thirty local participants completed the training..

#### F. Staff Training (Information)

Service Provider Staff Training and Development – B. Austin, NoRTEC Program Services Director conducted a training session for Nevada County staff on January 25, 2011. This training was provided as part of a continuing effort to develop effective adult and youth program systems and procedures.

NoRTEC Staff Development – J. Hough and B. Boyer attended the California Workforce Association Conference in San Diego on April 19-22, 2011. The conference focused on partnerships and leveraging funding in the light of current funding reductions. There has been no staff training since the July meeting.

#### G. Policy Updates (Action)

##### 1. Individual Training Account (ITA) Policy

An “Individual Training Account” is funding encumbered on behalf of a participant for training. NoRTEC, as an LWIA, is required to have a written policy outlining basic terms and conditions.

Our current policy has several exceptions in the definition of what is included in the actual ITA with respect to special grants we have received to train

health care workers. In light of the need in California for health care workers, staff are asking the WIB and Governing Board to extend the definition previously provided for special project health care initiatives to health care workers trained with all WIA funds expended by NoRTEC's Service Providers. Staff are also requesting this policy modification be retroactive to July 1, 2011.



[Current policy statement language](#)

[Proposed new policy statement language](#)

**Recommended Action:**

***WIB approval of the above described modification to NoRTEC's Individual Training Account Policy.***

***Governing Board approval of the above described modification to NoRTEC's Individual Training Account Policy.***

2. Definition of Entered Employment for Youth Participants

Prior to the implementation of what the Department of Labor refers to as "Common Measures" for measuring NoRTEC performance, there were separate standards for measuring program success with respect to youth participants that were 14-18 years old and 19-21 years old. In order to report a 14-18 year old as having "Entered Employment" at the end of their WIA experience, NoRTEC required the youth be employed for a minimum of 10 hours per week. In order to report a 19-21 year old as having "Entered Employment" at the end of their WIA experience, NoRTEC required the youth be employed a minimum of 30 hours per week.

Now, it is in the best interest of the youth, the Service Providers, and NoRTEC to make the number of hours for all youth be a minimum of 10 hours per week.

The previous definition and the proposed new definition of "Entered Employment" can be found here: [Entered Employment Definition](#) ➡

**Recommended Action:**

***WIB approval of the above described modification to NoRTEC's definition of "Entered Employment" for youth.***

***Governing Board approval of the above described modification to NoRTEC's definition of "Entered Employment" for youth.***

H. Youth Council Report (InformationAction)

The Youth Council continues to foster youth activities in Tehama County. An update will be given at the meeting. There have been several changes and additions to the membership on the Youth Council. The WIB must confirm nominations to the Council.

An update on the progress of the Youth Council will be given at the meeting.

Following is the proposed current Youth Council membership: ➡ [Roster](#)

**Recommended Action:**

***WIB approval of the proposed membership on the Youth Council.***

**Recommended Action:**

***WIB approval of the Third First Quarter Program Committee Report.***

***Governing Board approval of the Third First Quarter Program Committee Report.***

VIII. **FINANCE COMMITTEE REPORT (ACTION)**

Bill Hamby, Finance Committee Chair, will present the Finance Committee report.

A. **PY 2011/2012 Funding (Information)**

NoRTEC currently has \$21,342,537 in available funds for the PY 2011/2012 Program Year. An additional \$2,750,000 in funding has been requested. If all this funding is received, NoRTEC will have \$24,092,537 in available funding for the 2011/2012 Program Year. This would be a decrease of \$7,942,614 from PY 2010/2011 Program Year funding.

The reduction in available funding is primarily due to the expenditure of one-time ARRA funding in PY 2010/2011.

Project	PY 2011/2012 Funds Available	Additional Funds Requested	Total
Adult	\$2,859,984	\$0	\$2,859,984
Youth	\$3,223,216	\$0	\$3,223,216
Dislocated Worker	\$3,311,155	\$0	\$3,311,155
Rapid Response	\$930,739	\$0	\$930,739
Pathways Out of Poverty	\$1,339,180	\$0	\$1,339,180
MCLAUS VIII	\$575,391	\$0	\$575,391
SESP	\$216,877	\$0	\$216,877
Energy Efficiency Conservation Block Grant	\$307,508	\$0	\$307,508
Governor’s Challenge Grant	\$1,682,416	\$0	\$1,682,416
NEG OJT Grant	\$650,290	\$0	\$650,290
AB 118 Alternative Energy Grant	\$432,763	\$0	\$432,763

USDA Rural Community Development Initiative	\$175,000	\$0	\$175,000
Butte/Nevada Dislocated Services	\$577,093	\$0	\$577,093
High Concentration of Eligible Youth	\$100,000	\$0	\$100,000
NEG Disaster - Tsunami	\$4,660,925	\$0	\$4,660,925
Clean Energy OJT	\$300,000	\$0	\$300,000
MCLAUS IX	\$0	\$2,750,000	\$2,750,000
TOTAL	\$21,342,537	\$2,750,000	\$24,092,537

**PY 2010/2011 Funding (Information)**

**NoRTEC currently has \$25,650,151 in available funds for the PY 2010/2011 Program Year. An additional \$5,300,000 in funding has been requested. If all this funding is received, NoRTEC will have \$31,450,151 in available funding for the 2010/2011 Program Year. This would be a decrease of \$9,068,168 from PY 2009/2010 Program Year funding.**

**The reduction in available funding is primarily due to the expenditure of one-time ARRA funding in PY 2009/2010.**

Project	PY 10/11 Funds Available
<b>Adult</b>	<b>\$3,048,115</b>
<b>Youth</b>	<b>\$3,185,688</b>
<b>Dislocated Worker</b>	<b>\$3,249,096</b>
<b>Rapid Response</b>	<b>\$751,827</b>
<b>Adult ARRA Stimulus</b>	<b>\$193,577</b>
<b>Youth ARRA Stimulus</b>	<b>\$312,866</b>
<b>Dislocated Worker ARRA Stimulus</b>	<b>\$692,208</b>
<b>Rapid Response ARRA Stimulus</b>	<b>\$362,975</b>
<b>MCLAUS VII</b>	<b>\$399,887</b>

<b>Green Job Corps</b>	<b>\$600,577</b>
<b>Green Building Partnerships</b>	<b>\$253,035</b>
<b>Green Building Pre-Apprenticeships</b>	<b>\$457,097</b>
<b>Disability Navigator</b>	<b>\$3,458</b>
<b>Prisoner Re-Entry</b>	<b>\$4,605</b>
<b>ARRA Additional Assistance</b>	<b>\$403,924</b>
<b>Pathways Out of Poverty</b>	<b>\$3,508,971</b>
<b>MCLAUS VIII</b>	<b>\$2,459,000</b>
<b>SESP</b>	<b>\$900,000</b>
<b>Energy Efficiency Conservation Block Grant</b>	<b>\$307,508</b>
<b>Regional Industry Clusters</b>	<b>\$234,871</b>
<b>Governor's Challenge Grant</b>	<b>\$3,499,503</b>
<b>NEG OJT Grant</b>	<b>\$725,462</b>
<b>AB 118 Alternative Energy Grant</b>	<b>\$500,000</b>
<b>USDA Rural Community Development Initiative</b>	<b>\$0</b>
<b>Adult Incentive Funds</b>	<b>\$6,641</b>
<b>ARRA Incentive Funds</b>	<b>\$6,679</b>
<b>ARRA Disability Navigator</b>	<b>\$145,581</b>

NEG Disaster - Tsunami	\$0
TOTAL	\$26,150,151

B. Approval of the Final PY 2010/2011 Third Fourth Quarter Financial Reports (Action)

Preliminary fourth quarter financial reports for PY 2010/2011 were presented at the July 28, 2011, meeting. The final reports presented below have some minor changes, but they are not substantively different from the preliminary reports presented in July.

1.  [Final PY 2010/2011 Contracts Summary \(Information\)](#)

**PY 2010/2011 Contracts Summary (Information)**

This report shows the total amount of funding in contracts with the State, the source of that funding and its allocation within NoRTEC for the 2010/2011 program year. As of March 31, 2011, NoRTEC had a total of \$26,150,151 available in State contracts for the 2010/2011 program year. This report includes only amounts available in the current year. Amounts expended in prior years are not included.No changes.

2.  [Final PY 2010/2011 Service Provider Contract Modifications](#)

**PY 2010/2011 Service Provider Contract Modifications**

This report shows the changes between December 31, 2010, and March 31, 2011, in the service provider contract amounts available for expenditure in the current program year. This report shows only contract amounts available in the current year. Contract amounts expended in prior years are not included.

The contract modifications during this period were primarily the allocation of funding for Butte and Nevada Counties to the Alliance for Workforce Development and the Job Training Center of Tehama County to continue WIA services in those counties for the rest of the program year.

Please see the attached report for the individual allocation amounts. There are no items of concern.

No changes.

3.  **Final PY 2010/2011 Program Expenditure Report** **PY 2010/2011 Program Expenditure Report**

Service Provider expenditures were adjusted to reflect final closeout expenditure reporting to NoRTEC. There were no significant changes.This report shows each subcontractor's total available balance for the program year (July 1, 2010, to June 30, 2011), the cumulative expenditures for the quarter ended March 31,

2011, and the remaining balance at March 31, 2011, for each specific funding title and program type. This report shows only contract amounts available in the current year. Contract amounts expended in a prior year are not included.

Currently, Del Norte is slightly overexpended in Adult and Dislocated Worker. The concern with overexpenditure of funds is that the service provider might run out of funding before the end of program year, and therefore be unable to provide services for the entire program year.

Del Norte has submitted a corrective action plan that appears to be reasonable and sufficient to bring expenditures in Adult and Dislocated Worker into compliance by the end of the program year. In addition, Del Norte is only 55% expended for all WIA funds combined, so, it does not appear likely that Del Norte will run out of WIA funding prior to the end of the program year. Del Norte's expenditure rates do not appear to be an area of concern.

Because of concerns about the level of next year's funding, NoRTEC has waived the service provider's minimum required expenditure rate for the current program year. This will give service providers the flexibility to carry forward a larger percentage of the current year's funding. Therefore, corrective action plans for expenditure rates below the normal 50% minimum are not required.

There are no other items of concern.

Background: NoRTEC service providers are generally required to spend 80% of each year's allocation by the end of the program year. For the convenience of monitoring, NoRTEC uses a 20% per quarter expenditure rate as a guide for assessing expenditures throughout the fiscal year (20% first quarter, 40% second quarter, 60% third quarter and 80% final quarter). A corrective action plan (an explanation from the service provider of how they intend to utilize the funds by the end of the funding period) is automatically required from a service provider if quarterly expenditures vary by more than 10% from the quarterly target rate. The required expenditure rates apply to regular funding titles only and do not apply to special projects.

"Excess" funds may be voluntarily returned by a service provider or recaptured by NoRTEC if it appears that a service provider will not be able to effectively utilize them by the end of the funding period. These funds are then redistributed to other NoRTEC service providers demonstrating a greater need, or returned to the State if they cannot be effectively utilized within the consortium. Early detection and correction of expenditure problems is important because it allows time for the funds to be put to good use by service providers in other consortium counties. In addition, the effective use of funds directly affects NoRTEC's ability to secure additional funding in future years.

4.  [Final PY 2010/2011 NoRTEC Administrative Entity Expenditure Report](#)**PY 2010/2011 NoRTEC Administrative Entity Expenditure Report**

Some changes were made to individual line items with total expenditures remaining within budgeted amounts. This report shows the Administrative Entity (AE) expenditures against the annual line item budget for the nine months ended March 31, 2011. At March 31, 2011, the NoRTEC Administrative Entity had expended 63% of its Operating budget and 43% of its Other Projects budget.

There are no items of concern.

5.  **PY 2010/2011 NoRTEC WIB/Governing Board Expenditure Report****PY 2010/2011 NoRTEC WIB/Governing Board Expendit**[Final PY 2010/2011 WIB/Governing Board Expenditure Report](#)

Total expenditures exceeded the budget amount by \$6,458 due to higher-than-expected costs for the 2010 WIB/GB Retreat. We expect the 2011 retreat to be less than half the cost of the 2010 retreat.

This report shows the WIB and Governing Board expenditures against the annual line item budget for the nine months ended March 31, 2011. At March 31, 2011, the WIB/Governing Board expended 80% of its total budget.

There are no items of concern.

**Recommended Action:**

***The Finance Committee recommends approval of the Final PY 2010/2011 Third Fourth Quarter Finance Reports.***

***WIB approval of the Final PY 2010/2011 Third Fourth Quarter Finance Reports.***

***Governing Board approval of the Final PY 2010/2011 Third Fourth Quarter Finance Reports.***

C. Approval of the PY 2011/2012 First Quarter Financial Reports (Action)

1.  [PY 2011/2012 Contracts Summary \(Information\)](#)

This report shows the total amount of funding in contracts with the State, the source of that funding, and its allocation within NoRTEC for the 2011/2012 program year. As of September 30, 2011, NoRTEC had a total of \$21,342,537 available in State contracts for the 2011/2012 program year. This report includes only amounts available in the current year. Amounts expended in prior years are not included.

2. ➡ [PY 2011/2012 Service Provider Contract Modifications](#)

This report shows the changes between July 1, 2011, and September 30, 2011, in the service provider contract amounts available for expenditure in the current program year. This report shows only contract amounts available in the current year. Contract amounts expended in prior years are not included.

The contract modifications for this period consisted entirely of the addition of new 2011/2012 program year funding. These amounts include any unspent funds carried forward from the prior year. See report for detail.

The contract modifications are detailed in the attached report. There are no items of concern.

3. ➡ [PY 2011/2012 Program Expenditure Report](#)

This report shows each subcontractor's total available balance for the program year (July 1, 2011, to June 30, 2012), the cumulative expenditures for the quarter ended September 30, 2011, and the remaining balance at September 30, 2011, for each specific funding title and program type. This report shows only contract amounts available in the current year. Contract amounts expended in a prior year are not included.

Currently, Shasta/Trinity is underspent in Dislocated Worker and Tehama/Nevada is underspent in Youth. Staff received corrective action plans from both service providers, and these plans appear to be reasonable.

There are no other items of concern.

Background: NoRTEC service providers are generally required to spend 80% of each year's allocation by the end of the program year. For the convenience of monitoring, NoRTEC uses a 20% per quarter expenditure rate as a guide for assessing expenditures throughout the fiscal year (20% first quarter, 40% second quarter, 60% third quarter and 80% final quarter). A corrective action plan (an explanation from the service provider of how they intend to utilize the funds by the end of the funding period) is automatically required from a service provider if quarterly expenditures vary by more than 10% from the quarterly target rate. The required expenditure rates apply to regular funding titles only and do not apply to special projects.

"Excess" funds may be voluntarily returned by a service provider or recaptured by NoRTEC if it appears that a service provider will not be able to effectively utilize them by the end of the funding period. These funds are then redistributed to other NoRTEC service providers demonstrating a greater need, or returned to the State if they cannot be effectively utilized within the consortium. Early detection and correction of expenditure problems is important because it allows time for the funds to be put to good use by service providers in other consortium counties. In addition, the effective use of funds directly affects NoRTEC's ability to secure additional funding in future years.

4. ➡ [PY 2011/2012 NoRTEC Administrative Entity Expenditure Report](#)

This report shows the Administrative Entity (AE) expenditures against the annual line item budget for the three months ended September 30, 2011. At September 30, 2011, the NoRTEC Administrative Entity had expended 20% of its Operating budget and 5% of its Other Projects budget.

There are no items of concern.

5. ➡ [PY 2011/2012 NoRTEC WIB/Governing Board Expenditure Report](#)

This report shows the WIB and Governing Board expenditures against the annual line item budget for the three months ended September 30, 2011. At September 30, 2011, the WIB/Governing Board expended 16% of its total budget.

There are no items of concern.

**Recommended Action:**

***The Finance Committee recommends approval of the PY 2011/2012 First Quarter Finance Reports.***

***WIB approval of the PY 2011/2012 First Quarter Finance Reports.***

***Governing Board approval of the PY 2011/2012 First Quarter Finance Reports.***

**Acceptance of the June 30, 2010, Single Audit Report (Action)**

➡ NoRTEC Administrative Entity has received its June 30, 2010, Single Audit Report. The audit was "clean," meaning that there were no findings, questioned costs, or recommendations resulting from the Audit. The WIB Finance Committee has reviewed the audit report and has recommended that the WIB accept the audit report. To view a copy of the report, click on the link below:

Copies of the Single Audit Report are available for review by interested members.

[NoRTEC Single Audit Report June 30, 2010](#)

**Recommended Action:**

***The Finance Committee recommends:***

***WIB acceptance of the June 30, 2010, Single Audit Report.***

***Governing Board acceptance of the June 30, 2010, Single Audit Report.***

**PY 2011/2012 NoRTEC Administrative Entity Budget (Action)**

The WIB Finance Committee is recommending the PY 2011/2012 Administrative Entity Operating Budget be approved at \$1,385,866. This is an \$18,000 (1%) increase over the amount approved for PY 2010/2011. This increase is primarily recommended to accommodate increased travel and rent costs.

Sufficient funding is anticipated to cover the proposed budget increase. Please see the attached AE Budget for detail.

The WIB Finance Committee is recommending the PY 2011/2012 Administrative Entity Other Projects Budget be approved at \$650,000, which is \$350,000 (54%) less than the amount approved for PY 2010/2011. The Special Projects line item is proposed to increase by \$50,000 to cover possible costs for the Butte PIC audit, and the Grant-Funded Projects line-item is reduced by \$400,000 in anticipation of less grant funding next year. The Other Projects Budget includes Special Projects, Capacity Building, Grant-Funded Projects, the One-Stop Operator Contract, and the Youth Council Contract. Expenditure of the Grant-Funded Projects will be subject to the receipt of the grant funding.

Sufficient funding to cover these budgets is anticipated. Please see the attached budget and narrative for details.

- ➡ [Proposed PY 2011/2012 AE Budget](#)
- ➡ [Narrative for the Proposed PY 2011/2012 AE Budget](#)

**Recommended Action:**

***The Finance Committee is recommending:***

***WIB approval of the PY 2011/2012 NoRTEC Administrative Entity Operating Budget at \$1,385,866, and the Other Projects Budget at \$650,000, subject to the availability of funding.***

***Governing Board approval of the PY 2011/2012 NoRTEC Administrative Entity Operating Budget at \$1,385,866, and the Other Projects Budget at \$650,000, subject to the availability of funding.***

**PY 2011/2012 NoRTEC WIB/Governing Board Budget (Action)**

The WIB Finance Committee is recommending that the PY 2011/2012 WIB/Governing Board Budget be approved at \$130,000. This is a \$10,000 (8%) increase over the amount budgeted in PY 2010/2011.

The proposal increases the line-items for meetings and legal by \$5,000 each to cover anticipated increases in travel costs and possible legal expenses from the Butte PIC dissolution. Sufficient funding to cover these budgets is anticipated. Please see the attached budget and narrative for details.

- ➡ [Proposed PY 2011/2012 WIB/Governing Board Budget](#)
- ➡ [Narrative for the Proposed PY 2011/2012 WIB/Governing Board Budget](#)

**Recommended Action:**

***The WIB Finance Committee is recommending:***

***WIB approval of the PY 2011/2012 WIB/GB budget at \$130,000, subject to the availability of funding.***

***Governing Board approval of the PY 2011/2012 WIB/GB budget at \$130,000, subject to the availability of funding.***

D. NoRTEC Fiscal Monitoring (Information)

Fiscal monitoring visits of NoRTEC Service Providers have been scheduled for May and June 2011. The result of these on-site reviews will be communicated to the WIB and Governing Board at the July meeting. On-site fiscal reviews of Service Providers are currently being scheduled.

E. State and Fiscal Procurement Monitoring of NoRTEC (Information)

As reported at the last meeting, the draft monitoring report for the fiscal and procurement review of NoRTEC by EDD was received. NoRTEC staff responded to the State's concerns and we are still waiting for the report to be issued in final form. NoRTEC received the final monitoring report for the PY 2009/2010 ARRA Fiscal and Procurement review. The final report concludes that the issues regarding procurement documentation in the draft monitoring report have been satisfactorily resolved. Copies of the report are available for interested board members.

An on-site fiscal and procurement review of NoRTEC by EDD for this program year has been scheduled for the week of May 16, 2011. The State conducted another fiscal and procurement review of NoRTEC during the week of May 16-20, 2011. The monitor visited the NoRTEC administrative office, but did not visit any of the service provider offices. We have not received a report from this monitoring. Results will be communicated when received.

**Recommended Action:**

***WIB approval of the Third First Quarter Finance Committee Report.***

***Governing Board approval of the Third First Quarter Finance Committee Report.***

IX. STATUS OF FUNDING APPLICATIONS (INFORMATION)

A. Prior Approval

1. Dislocated Worker Funding for Butte and Nevada Counties – The application for \$600,000 to work with Dislocated Workers in Butte and Nevada Counties was funded.

AB 118 California Energy Commission (CEC) – This application for \$500,000 to work with two companies involved in the development and deployment of propane and gas hybrid projects to retrofit light, medium, and heavy-duty on-road vehicle fleets which will create higher fuel efficiencies, employ idle management technology, and decrease fuel consumption and emissions was funded.

2. High Concentration of Eligible Youth (Nevada County) – The application for \$100,000 to partner with Nevada Joint Union High School District to provide a vocational program for disadvantaged youth who have an interest in the production and marketing of wood products was funded.
3. MCLAUS IX – The application for \$2.75 million to provide intensive and training services to workers laid-off in NoRTEC’s eleven county area is still pending.  
  
USDA Rural Community Development Initiative (RCDI): – This application for \$300,000 to work with seven non-profits to design a comprehensive strategy to address specific needs and a plan to address community and economic development needs, job creation, and economic growth is still pending.

B. New Applications

There are no new applications.

NoRTEC requested \$5,000,000 for a National Emergency Grant to employ 214 workers in temporary jobs to assist with clean-up and restoration of the Crescent City Harbor, which was damaged by a tsunami in March 2011.

**Recommended Action:**

***WIB approval of staff submitting an application for \$5,000,000 for an NEG grant.***

***Governing Board approval of staff submitting an application for \$5,000,000 for an NEG grant.***

SMALL BUSINESS UPDATE (INFORMATION)

Ginne Mistal will provide a brief update on items of interest to Small Business.

- X. (Need to add Link) **The articles of incorporation for the NoRTEC non-profit have been submitted to the California Secretary of State. The name “North State Partnership” was already taken, so the name was changed to “Northern Rural Communities Development.” The articles as submitted and the bylaws are attached for interested members. Aaron Stewart, NoRTEC’s attorney, will be present to answer any questions.** SMALL BUSINESS UPDATE

Ginne Mistal will provide a brief update on items of interest to Small Business.

XI. OLD BUSINESS (INFORMATION)

Old Business items may be brought up for discussion at the pleasure of the NoRTEC WIB/ Governing Board members.

XII. NEW BUSINESS (INFORMATION)

- A. Upcoming WIB/Governing Board Meeting

The next WIB/Governing Board meeting will be held on Thursday Thursday, July January 2628, 20121. Staff is working on securing a site in the Chico area for the meeting. The location is to be determined.

B. Other New Business

Additional New Business items may be brought up for discussion, at the pleasure of the NoRTEC WIB and Governing Board members.

XIII. ADJOURNMENT