

NORTEC
WDB AND GOVERNING BOARD AGENDA
THURSDAY, AUGUST 24, 2017
10:00 AM – 2:00 PM
CANYON OAKS COUNTRY CLUB
CHICO, CA

Our Vision

Partners combining their diverse strengths to support healthy and thriving communities.

Our Mission

To develop strategic partnerships that meet the workforce needs of businesses and job seekers, promoting the economic growth of our region.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. APPROVAL OF AGENDA (ACTION)

Recommended Action:

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

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

V. PUBLIC COMMENT

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

VI. WORKFORCE DEVELOPMENT BOARD APPOINTMENTS (ACTION)

In June 2017, Tammy Gildea, retired from State Service with the Employment Development Department (EDD). She held an At-Large seat on the NoRTEC Workforce Development Board, representing the EDD seat in the *One Stop Partner* sector.

An application from Amber Yearton, Employment Program Manager in the Redding EDD office, has been received. A nomination letter has also been received from an EDD Deputy Division Chief.

[Application](#)

[Nomination Letter](#)

Recommended Action:

Governing Board appointment of Amber Yearton to fill the vacant At-Large One Stop Partner/EDD seat on the NoRTEC Workforce Development Board.

VII. NORTEC STRATEGIC GOALS (INFORMATION)

A. Strategic Goal #2 – Implement Career Pathways Strategies

Christy Hernandez of the Del Norte Workforce Center (STEP, Inc.) will present an overview of the E3 (Experience, Education, Employment) Summer Youth Program that took place in Crescent City this summer. The program is a partnership between Del Norte County Schools, Del Norte Workforce Center, Building Healthy Communities, and local employers. Through local collaboration, the program was able to provide four weeks of paid work experience and 10 elective credits for students that completed the program.

B. Strategic Goal #4 – Foster Regional Awareness and Partnerships

Jason Schwenkler, the Director of the Geographical Information Center (GIC) at California State University, Chico, will present an update on GIC's activities in support of broadband expansion throughout the region.

The GIC is the lead agency for the Northeast and Upstate California Connects Consortia (NECCC and UCCC) and is responsible for coordinating funding opportunities in support of broadband introduction and expansion throughout rural Northern California and the Sacramento Valley. The presentation will review lessons learned to date, action items that would help move the project forward, and possible next steps for implementation.

An information sheet that will be available in hard copy at the meeting can be viewed here: [Information Sheet](#)

Time will be provided for an open discussion and to answer Board member questions.

VIII. CONSENT AGENDA (ACTION)

Click on the link for each item below to view the full document:

A. [WDB/Governing Board Meeting Minutes, April 27, 2017](#)

Click on the link above for access to the minutes from the April meeting.

B. [Program Report](#)

This quarter's report provides information on the performance measures under WIOA, and routine quarterly program reports.

As staff noted throughout last program year, NoRTEC will suffer no sanctions if last program year's performance measures are not met. This is due to the lag time between service to the participants and what happens to them 6-12 months after they exit the program, and the year in which the performance is reported. For example, performance reported for the last program year (PY 2016/2017) was based upon the circumstances of participants that exited the program during PY 2015/2016, which was under the WIA program. At the point these participants were receiving service and leaving the program, the regulations for WIOA were not yet written and the system did not yet have clear definitions on performance and how it

would be calculated. When a piece of legislation changes like it did between WIA and WIOA, information is still collected on WIA participants and reported under WIOA performance measures, but there are no sanctions for not meeting the measures. So while, NoRTEC's performance was quite good for all three programs (Adult, Dislocated Worker, and Youth), the goal for median earnings in the Youth program is low (goal \$4,160, actual \$3,588). This is not, however, a cause for concern, because employment was NOT the focus of the youth program under WIA, and even if it had been, the program would have been focused on *average* earnings, not *median* earnings (median earnings goals are more difficult to meet than average earnings goals). Additional details on NoRTEC's and individual Service Provider's performance is available in the Program Report.

Staff also conducted spring on-site monitoring reviews this past quarter. There were no findings at STEP or the Job Training Center. SMART had a finding related to participant eligibility, and AFWD had a finding related to participant tracking in the MIS system. Both findings were quickly resolved. Details on these findings are included in the Program Report.

There are no areas of concern at this time.

The Program Committee has reviewed the information and recommends approval of the Program Report to the WDB and Governing Board.

C. [Financial Report](#)

This quarter's report provides routine financial information for the PY 2016/2017 program year.

California law requires that a minimum of 30% of total expenditures in the Adult and Dislocated Worker programs be spent on out-of-pocket training costs for participants. These training expenditures include such expenses as OJT reimbursements to employers and tuition payments to training vendors on behalf of participants. NoRTEC is responsible for meeting this requirement over a two year funding cycle. A similar requirement is included in NoRTEC's contracts with its Service Providers on an annual basis.

During PY 2016/2017, the Job Training Center of Tehama County did not meet its minimum training expenditure requirement, with a deficit of \$32,943. Job Training Center has submitted a corrective action plan, which includes making up the 2016/2017 deficit of \$32,943 in the 2017/2018 program year.

In spite of this individual service provider deficit, NoRTEC is in compliance with the State requirement as of June 30, 2017, due to over-performance by all three of the other NoRTEC service providers.

Job Training Center's progress against meeting the combined 2016/2017 and 2017/2018 training expenditure requirement will be monitored by NoRTEC staff on a monthly basis. If it appears that Job Training Center will not meet the combined training expenditure requirement by June 30, 2018, recapture of funds or early contract termination may be necessary to ensure that NoRTEC is in compliance with State law at June 30, 2018.

There are no other areas of concern at this time.

The Finance Committee has reviewed the information and recommends approval of the Finance Report to the WDB and Governing Board.

Recommended Action:

WDB approval of the consent agenda reports.

Governing Board approval of the consent agenda reports.

IX. **MEMORANDUM OF UNDERSTANDING, PHASE II (ACTION)**

NoRTEC staff, with the assistance from the local programs, are continuing to collect signatures for Phase II of the Memorandum of Understanding (MOU) documents with all of our required workforce partners in the eleven county region. As noted in previous meetings, this document will build upon agreements established in Phase I of the MOU process, and helps determine how to best support the established service delivery model through the sharing of resources and costs. The signed document must be submitted to the California Workforce Development Board by September 1, 2017, and must also be signed by both the WDB and Governing Board Chairs.

Several of our partners signed an “umbrella” MOU. A few partners requested changes to the wording of the MOU, so a separate MOU was created with just that partner.

There are seven in all, and they can be viewed by clicking on the following links:

- [Umbrella MOU](#)
- [EDD MOU](#)
- [TANF-Del Norte MOU](#)
- [TANF-Shasta MOU](#)
- [TANF-Siskiyou MOU](#)
- [TANF-Tehama MOU](#)
- [TANF-Trinity MOU](#)

Recommended Action:

WDB approval of the Phase II MOUs listed above.

Governing Board approval of the Phase II MOUs listed above.

X. **AJCC CERTIFICATION (INFORMATION)**

The Workforce Innovation and Opportunity Act (WIOA) establishes a framework under which local workforce development boards are responsible for maintaining a network of high quality, effective AJCCs (America’s Job Centers of California, also known as One Stop Centers). Local boards are required to “certify” their AJCCs once every three years. The WIOA regulations outlines three key requirements for AJCC certification: (1) effectiveness of the AJCC, (2) physical and programmatic accessibility for individuals with disabilities, and (3) continuous improvement.

The California Workforce Development Board has developed criteria and procedures for local boards to use when certifying AJCCs, with the intent to set a statewide standard of

service delivery that ensures all customers consistently receive a high-quality level of service. NoRTEC must proceed with the certification process during the current program year, which will then take effect by the beginning of the next program year (PY 2018/2019).

There are two levels of AJCC certification—Baseline Certification and Hallmarks of Excellence Certification. The Baseline Certification is intended to ensure that every AJCC is in compliance with key WIOA statutory and regulatory requirements. A copy of the matrix to be utilized for Baseline Certification may be accessed here: [Baseline Matrix](#)

The Hallmarks of Excellence Certification is intended to encourage continuous improvement by identifying areas where improvement is needed. A copy of the matrix to be utilized for Baseline Certification may be accessed here: [Hallmarks of Excellence Matrix](#)

Evaluations of our AJCCs are currently underway. Information on the process may be accessed here: [AJCC Certification Process](#)

The Workforce Development Board Chair must sign off on both certifications for each AJCC before they are submitted to the State. The Baseline Certification process will be completed before the October 26, 2017, quarterly meeting, as it is due to the State by December 31, 2017. The Hallmarks of Excellence Certification process will be completed before the April 26, 2018, quarterly meeting, as it is due to the State by June 30, 2018.

It is anticipated the Program Committee will review the certification information before it is submitted to the Chair of the Workforce Development Board for signature.

XI. STATUS OF FUNDING APPLICATIONS (INFORMATION)

A. Prior Approval

1. Workforce Navigator Pilot Program Targeting Limited English Language Learners and Immigrant Workforce – This application for \$500,000 submitted to the State to implement a Workforce Navigator Pilot Program targeting English Language Learners and immigrant workers to promote increased access, create and enhance program structure and availability, and provide supportive services to individuals in Tehama County was not selected for funding.
2. Slingshot Funding – NoRTEC was awarded \$230,000 of additional Slingshot funding. Staff expects to utilize the funding to continue support for industry sector partnerships in the NoRTEC region.
3. MCLAUS XII – After several attempts to rewrite this application for \$1,375,000 to serve 250 dislocated workers who lost their jobs after October 1, 2016, it became apparent the State was not interested in funding the project. The application was withdrawn.

B. New Applications

Milestone/Sears/Rideout – Staff are requesting permission to submit an application for \$275,000 to the State to serve 50 workers dislocated due to the closure of

Milestone (Chico-125 workers), Sears (Chico-42 workers), and Rideout Health Group (Grass Valley-18 workers).

Recommended Action:

WDB approval to submit an application to the State for \$275,000 to serve 50 workers dislocated due to the closure of Milestone, Sears, and Rideout Health Group.

Governing Board approval to submit an application to the State for \$275,000 to serve 50 workers dislocated due to the closure of Milestone, Sears, and Rideout Health Group.

XII. **EXECUTIVE DIRECTOR BONUS (INFORMATION)**

The terms of the NoRTEC Executive Director's current employment contract, dated October 24, 2013, include an annual performance incentive bonus to encourage the pursuit of discretionary funding. The contract provides for a bonus of 1% of total available NoRTEC funding above a baseline amount of \$13,973,000 at the end of each program year.

On June 30, 2015 (PY 2014/2015), the calculated bonus payment was \$10,516.68.

In PY 2015/2016 and PY 2016/2017, the calculated bonus amounts were not paid as written in the employment contract. Therefore, legal counsel has advised that the revised bonus payments should be disclosed to the board.

On June 30, 2016 (PY 2015/2016), the calculated bonus payment was \$27,058.08. The Executive Director chose not to accept this payment, and elected instead to receive a reduced bonus payment of \$13,972.99, with the remaining \$13,085.09 converted from payment to a one-time vacation leave accrual of 194 hours.

On June 30, 2017 (PY 2016/2017), the calculated bonus payment was \$30,725.92. The Executive Director chose not to accept this payment, and elected instead to receive a reduced bonus payment of \$15,590.88, with the remaining \$15,135.04 converted from payment to a one-time vacation leave accrual of 225 hours.

XIII. **JOINT EXECUTIVE COMMITTEE REPORT (ACTION/INFORMATION)**

The Joint Executive Committee met on April 27, 2017, and again on June 22, 2017, to discuss the performance review of NoRTEC's Executive Director and to develop a new employment contract for NoRTEC's Executive Director.

At the June 22, 2017, meeting, the committee voted 7-0 in closed session to recommend approval by the NoRTEC Governing Board and Workforce Development Board of a new employment contract with NoRTEC's Executive Director. The following terms were recommended:

1. A three year contract term, running from July 1, 2017, through June 30, 2020;
2. Eliminate the bonus incentive plan in the current contract;

3. Increase the annual salary from \$139,730 to \$170,000 retroactive to July 1, 2017, upon contract approval by the full Governing Board and Workforce Development Board;
4. Increase the annual vacation package by an additional 80 hours, retroactive to July 1, 2017, upon approval by the full Governing Board and Workforce Development Board; and
5. Conduct annual compensation reviews during the term of the contract.

A draft copy of the proposed employment contract may be viewed here: [Draft Employment Contract](#)

Recommended Action:

WDB approval of the proposed employment contract for the NoRTEC Executive Director, developed by the Joint Executive Committee.

Governing Board approval of the proposed employment contract for the NoRTEC Executive Director, developed by the Joint Executive Committee.

XIV. **OLD BUSINESS (INFORMATION)**

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

XV. **NEW BUSINESS (INFORMATION)**

A. **Upcoming WDB/Governing Board Meetings**

1. The October 26, 2017, WDB/Governing Board meeting is scheduled from 10:00 am – 2:00 p.m. at the Gaia Hotel and Spa in Anderson.
2. The January 25, 2018, WDB/Governing Board meeting is scheduled from 10:00 am – 2:00 p.m. at Canyon Oaks Country Club in Chico.

B. **Other New Business**

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

XVI. **ADJOURNMENT**