

NORTEC
WDB AND GOVERNING BOARD AGENDA
THURSDAY, OCTOBER 25, 2018
10:00 AM – 2:00 PM
GAIA HOTEL AND SPA
ANDERSON, 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)**

Judi Madden, Sam Roy, and Duane Heryford, all representing Private Industry on the Workforce Development Board, have resigned.

Staff are working on finding potential replacements for these three seats, but only one nomination was secured in time for inclusion on this agenda.

Susan Marie, Owner of Susan Marie & Associates, has been nominated by the Weaverville Chamber of Commerce for consideration by the Governing Board to fill the Private Industry seat formerly occupied by Duane Heryford.

[Application](#)

[Nomination Letter](#)

Recommended Action:

Governing Board appointment of Susan Marie to fill the vacant at-large Private Industry Seat on the NoRTEC Workforce Development Board.

VII. NORTEC STRATEGIC GOALS (INFORMATION)

Strategic Goal #4 – Increase Awareness of NoRTEC Activities, Fostering Regional Awareness and Partnerships

AFWD, Inc. and Butte County Probation have developed a simple partnership into a relevant, effective platform of services for youth. Combined resources, complementary philosophies, and evidence-based practices for rehabilitation of young offenders function together to help move justice system involved youth into the workforce.

Multiple program standards of accountability, education of the youth, and a united front for participant planning, coupled with pre-release activities and supervision solutions, are resulting in reduced recidivism, gains in employment and outcomes, and ultimately, safer communities.

This partnership has been continually evolving over the past few years and four rounds of special project “workforce accelerator” funding, and is continually being showcased throughout the State as a “Best Practice.”

Heather Alexander Chavez, AFWD Youth Program Manager and Project Coordinator for NoRTEC’s Prison to Employment Initiative, Ron Kimberling, Butte County Probation Officer III, and Griselda Lopez, AFWD Youth Career Center Advisor/Accelerator Project Assistant will provide an overview of this successful program.

VIII. CONSENT AGENDA (ACTION)

A request was made to staff by the Chairs of the Workforce Development Board and the Governing Board to pull the Program and Finance Reports from the consent agenda at least twice each program year. This request was made to assure that new members to both boards would be given an in-depth review of information presented in these reports as well provide a refresher for veteran members on both boards.

After consultation with staff, it was decided to review one of these reports at each meeting, alternating each quarter. The Finance Reports would be reviewed during the October and April meetings, and Program Reports would be reviewed during the January and August meetings. The consent agenda for each meeting will then contain the minutes from the previous quarterly meeting and whichever report is not being reviewed in-depth during that meeting.

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

- A. [WDB/Governing Board Meeting Minutes, August 23, 2018](#)

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

B. Program Report

This quarter's report provides routine information on routine information on first quarter performance measures under WIOA and routine quarterly program reports. NoRTEC is meeting all performance measures in the Adult and Dislocated Worker programs, and is meeting three of four measures in the Youth program. NoRTEC is not meeting is the Employed in the Fourth Quarter After Exit (Goal 65.4%; Actual 63.3%).

AFWD is meeting all performance measures for the Adult, Dislocated Worker, and Youth programs.

SMART is meeting all performance measures for the Adult and Dislocated Worker program, but is missing the Employed/Education in the 4th Quarter after Exit.

STEP is meeting all performance measures for the Adult and Dislocated Worker program, but is missing the Employment/Education rate in the 2nd Quarter after Exit and the Credential Attainment rate for the Youth program.

The Job Training Center is meeting all performance measures for the Youth program, but is missing the Credential Attainment Rate in the Adult program, and the Median Earnings and the Employment Rate in the 4th Quarter after Exit in the Dislocated Worker program.

As the reports only cover one quarter of performance, and because the number of participants in many of the measures is small (especially when broken down by program), there are no immediate areas of concern.

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

Recommended Action:

WDB approval of the consent agenda reports.

Governing Board approval of the consent agenda reports.

IX. FINANCIAL REPORT (ACTION)

Jeanne Hough, Fiscal Director, will give the report.

A. PY 2018/2019 Funding (Information)

NoRTEC currently has \$16,675,606 in available funds for the 2018/2019 program year. An additional \$1,333,000 of Carr Fire 2018 and Prison to Employment Initiative funding is pending allocation. When these funds are allocated, NoRTEC will have \$18,103,606. This would be a decrease of \$1,459,791 from 2017/2018 Program Year funding, primarily due to the receipt of Storm funding in the prior year.

Project	PY 2018/2019 Funds Available	Additional Funds Requested	Total
Adult	\$3,129,847	\$0	\$3,129,847
Youth	\$3,122,681	\$0	\$3,122,681
Dislocated Worker	\$2,618,028	\$0	\$2,618,028
Rapid Response	\$655,278	\$0	\$655,278
Rapid Response – Layoff Aversion	\$215,278	\$0	\$215,278
Regional Training Coordinator	\$99,938	\$0	\$99,938
CA Manufacturing (CMTC)	\$110,307	\$0	\$110,307
Storms 2017	\$3,878,023	\$0	\$3,878,023
Slingshot Additional	\$106,949	\$0	\$106,949
Milestone/Sears/Rideout	\$260,297	\$0	\$260,297
CA Wildfires 2017	\$903,450		\$903,450
Carr Fire 2018	\$667,000	\$1,333,000	\$2,000,000
Workforce Accelerator 6.0	\$241,247	\$0	\$241,247
Regional Plan Implementation	\$450,000	\$0	\$450,000
ETP Grant	\$217,283	\$0	\$217,283
Prison to Employment Initiative	\$0	\$95,000	\$95,000
TOTAL	\$16,675,606	\$1,428,000	\$18,103,606

B. Approval of the 2018/2019 First Quarter Financial Reports (Action)

1. [PY 2018/2019 Contracts Summary](#) – This report shows the total allocation of funding in subgrants and contracts, the source of that funding, and its allocation within NoRTEC for the 2018/2019 program year. As of September 30, 2018, NoRTEC had a total of \$16,675,606 available in subgrants and contracts for the 2018/2019 program year. This report includes only amounts available in the current year. Amounts expended in prior years are not included.
2. [PY 2018/2019 Service Provider Contract Modifications Report](#) - This report shows the changes between July 1, 2018, and September 30, 2018, 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.

Contract modifications during this quarter reflect the new contract allocations for PY 2018/2019.

3. [PY 2018/2019 Program Expenditure Report](#)
 - a. [Program Expenditure Rate Requirements](#) - This report shows each service provider's total available balance for the program year (July 1, 2018, to June 30, 2019), the cumulative expenditures for the quarter ended September 30,

2018, and the remaining balance at September 30, 2018, 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.

All service provider expenditures were within the required parameters. There are no other items of concern.

Background: NoRTEC service providers are generally required to spend 80% of each year's allocated funding (Adult, Youth and Dislocated Worker) by the end of the program year.

The normal quarterly expenditure rate requirements are as follows: (1) First Quarter – between 10% and 35%, (2) Second Quarter – between 30% and 60%, (3) Third Quarter – between 50% and 85%. 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 any allocated funding title's expenditure rate falls outside the quarterly requirements. 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

- b. Training Expenditure Rates - California law requires that a minimum of 32.1% 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. Per NoRTEC policy, failure to meet the expenditure requirements may result in disallowed costs, recapture of funds or contract termination.

There are no items of concern.

4. [PY 2018/2019 NoRTEC Administrative Entity Expenditure Report](#) - This report shows the Administrative Entity (AE) expenditures against the annual line item budget for the quarter ended September 30, 2018. At September 30, 2018, the NoRTEC Administrative Entity had expended 21% of its Operating budget and 16% of its Other Projects budget. Overall, the Administrative Entity spent 20% of its budget.

There are no items of concern.

5. [PY 2018/2019 NoRTEC WDB/Governing Board Expenditure Report](#) – This report shows the WDB and Governing Board expenditures against the annual line item budget for the quarter ended September 30, 2018. At September 30, 2018, the WDB/Governing Board had expended 29% of its total budget.

There are no items of concern.

C. NoRTEC Fiscal Monitoring (Information)

Fall monitoring is currently underway and will conclude by the end of November 2018. Results of all monitoring visits will be reported at the January 24, 2019, quarterly meeting.

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

Currently, no monitoring of NoRTEC by the State has been scheduled.

Recommended Action:

WDB approval of the first quarter Finance Report.

Governing Board approval of the first quarter Finance Report.

X. NORTEC POLICIES (ACTION)

A. Transitional Jobs Policy (Action)

NoRTEC’s Service Providers (AFWD, SMART, STEP, and the Job Training Center) are required to spend 32.1% of their Adult and Dislocated Worker funding on activities defined as “direct training.” This “direct training” expenditure category includes expenditures on occupational classroom training (e.g., training provided by community colleges and other training institutions), OJTs, customized training, and apprenticeships. Participants who access these “direct training” activities generally have an extensive work history along with the necessary soft skills, and are mostly in need of training in skills that are occupation specific.

Under WIOA, we are also allowed to include another activity defined as a “transitional job” that may also be considered a “direct training” activity for the purposes of meeting the training expenditure requirement, if we have a WDB approved policy in place that defines all of the eligibility requirements of such an activity. To summarize, a job seeker will be eligible to participate in such an activity if she has one or more barriers to employment and is “chronically unemployed” or has an “inconsistent work history.” The policy contains both the barriers to employment, as well as definitions of both “chronically unemployed” and “inconsistent work history.”

Transitional jobs are “subsidized employment” (meaning we place an individual at a worksite and pay the wages associated with the job for a limited period of time) and are meant to be resume builders and provide the individual with an opportunity to obtain occupation specific skills needed to be successful in the labor market, as well instruction in soft skills and an opportunity to practice them in a real world of work setting.

Approval of this policy will give our Service providers another tool to help job seekers obtain and retain meaningful employment.

The Program Committee has reviewed this policy and recommends approval by the full WDB and Governing Board.

Recommended Action:

WDB approval of the Transitional Jobs Policy.

Governing Board approval of the Transitional Jobs Policy.

B. [WDB/Governing Board Travel Policy \(Action\)](#)

Staff have recently been asked by State monitors for our Travel Policy outlining WDB and Governing Board travel reimbursement procedures. As we did not have a formal written policy, one has been drafted incorporating details State monitors have requested we provide.

Recommended Action:

WDB approval of the WDB/Governing Board Travel Reimbursement Policy.

Governing Board approval of the WDB/Governing Board Travel Reimbursement Policy.

XI. [RFP GUIDING PRINCIPLES \(ACTION\)](#)

At the August 23, 2018, WDB/Governing Board meeting, the members discussed and tabled the Executive Committee's proposed RFP Guiding Principles for WIOA Service Providers.

Based on that discussion, the Executive Committee subsequently revised the proposed guiding principles to include a fourth guiding principle: *Emphasis on Employer Engagement and Service*. This revised document was then emailed out to all members of both the WDB and the Governing Board for review and comment.

No additional comments have been received since the revised principles were distributed. The revised document may be accessed here by clicking on the following link (proposed changes are in red): [Proposed RFP Guiding Principles for WIOA Service Providers](#)

Recommended Action:

WDB adoption of the RFP Guiding Principles as posted.

Governing Board adoption of the RFP Guiding Principles as posted.

XII. [STATUS OF FUNDING APPLICATIONS \(INFORMATION\)](#)

A. [Prior Approval](#)

1. [Regional Planning Grant](#) - Staff submitted an application for \$100,000 to the California Workforce Development Board for a regional planning grant to fund collaborative development of partnerships to serve formerly incarcerated and other justice involved individuals. The project was funded for \$95,000.

2. Carr Fire NDWG Project - Staff submitted an application for \$2,000,000 to the State for a Disaster National Dislocated Worker (NDW) grant to provide temporary jobs for individuals to assist with the clean-up of damage from the Carr fire in Shasta County. The project was funded and work should begin in November.

B. New Applications

There are no new applications requiring approval.

XIII. WORKFORCE DEVELOPMENT BOARD/GOVERNING BOARD ELECTIONS (ACTION)

In January of each odd numbered year, new officers are seated for:

1. Governing Board Chair
2. Governing Board Vice Chair
3. Workforce Development Board Chair
4. Workforce Development Board Vice Chair

These four individuals also serve on NoRTEC's Executive Committee, along with three additional Workforce Development Board members, who are elected by the Workforce Development Board members.

A. Governing Board Chair and Vice Chair Elections

1. Chair – After serving as Vice Chair for the past two years, John Fenley has been nominated for Governing Board Chair. The Chair also serves as the Chair of the Joint WDB/Governing Board Executive Committee. Nominations for the seat may also be taken from the floor.

Recommended Action:

Governing Board nomination and election of a Governing Board Chair.

2. Vice Chair – Bob Williams has been nominated for Governing Board Vice Chair. The Vice Chair also serves as Vice Chair of the Joint WDB/Governing Board Executive Committee. Nominations for the seat may also be taken from the floor.

Recommended Action:

Governing Board nomination and election of a Governing Board Vice Chair.

B. Workforce Development Board Chair and Vice Chair Elections

1. Chair – After serving as Vice Chair for the past two years, Wade Meith has been nominated for Workforce Development Board Chair. The Chair also serves on the Joint WDB/Governing Board Executive Committee. Nominations for the seat may also be taken from the floor.

Recommended Action:

WDB nomination and election of a WDB Board Chair.

2. Vice Chair – Joe Wilson has been nominated for Workforce Development Board Vice Chair. The Vice Chair also serves on the Joint WDB/Governing Board Executive Committee. Nominations for the seat may also be taken from the floor.

Recommended Action:

WDB nomination and election of a WDB Board Vice Chair.

- C. Three Additional Workforce Development Board Members to Serve on the Executive Committee

In addition to the Chairs and Vice Chairs of the WDB and Governing Board, the Joint WDB/Governing Board Executive Committee, per the WDB/LEO Agreement, shall contain three additional WDB members, elected by the WDB membership.

The current additional three members of this committee, Dwight Beeson, Jesse Cox, and Michele Piller have been nominated for continued service on this committee. Nominations for these three seats may also be taken from the floor.

Recommended Action:

WDB nomination and election of three Executive Committee members from the WDB membership.

- 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 January 24, 2019, WDB/Governing Board meeting is scheduled from 10:00 am – 2:00 p.m. at the Butte Creek Country Club in Chico.
2. The April 25, 2019, WDB/Governing Board meeting is scheduled from 10:00 am – 2:00 p.m. at the Gaia Hotel and Spa in Anderson.

- 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