I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES, OCTOBER 27, 2011 (ACTION)
The minutes from the October 27, 2011, meeting are attached:

**Recommended Action:**
- WIB approval of the October 27, 2011, minutes, with revisions if needed, as posted.
- Governing Board approval of the October 27, 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 WIB.

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

VII. PROGRAM COMMITTEE REPORT
Michele Piller, Program Committee Chair, will present the Program Committee report.
A. Program Monitoring (Information)

B. Austin has completed an on-site review of RHS, STEP, the Job Training Center, and most of AFWD. Reviews have been scheduled for the Smart program in Redding (January 23-25) and AFWD’s Butte County program (February 1-3). Austin will provide an update at the meeting.

T. Brown and J. Hough monitored the Tsunami NEG (National Emergency Grant) on January 4-5, 2012. There were a number of issues regarding the proper documentation of procurement and the distribution of work clothing (to participants). In addition, there are some questioned costs surrounding wage payments to participants for time not actually worked, the purchase of materials that were outside the scope of this contract, and payment for damage to private property that should have been submitted to RHS’ insurance carrier. NoRTEC has not yet issued the monitoring report. When the report is issued, RHS will have 10 working days to respond.

B. State/Federal Monitoring (Information)

1. Program Monitoring by the State, Compliance Review Division - 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 draft report was issued on January 17, 2012. There were two findings:
   a. NoRTEC’s Youth Council did not contain a representative of a juvenile justice or local law enforcement agency.
   b. NoRTEC’s percentage of Labor representation on the Workforce Investment Board (13%) does not meet the State requirement of 15%. The State is recommending we appoint another Labor representative.

The NoRTEC WIB remedied the issue of membership representation on the Youth Council at the October meeting by approving a slate of Youth Council members that met the criteria required by the Workforce Investment Act (WIA).

Staff will be working with the Governing Board to examine the Labor representation issue on the Workforce Investment Board (WIB).

2. Compliance Review by State, Equal Employment Opportunity Office – NoRTEC was monitored by the Employment Development Department’s Equal Employment Opportunity Office on December 14, 2011. This three hour review was conducted to ensure NoRTEC is in compliance with federal and state equal opportunity and nondiscrimination regulations. The review included a walkthrough and observation of the One Stop in Oroville, a discussion of processes and procedures, and a survey of Workforce Investment Act administrative and front-line staff regarding equal opportunity and nondiscrimination practices.

A formal report has not yet been issued, but the EEO Specialist conducting the review indicated there would be no findings.
C. **Client Enrollment and Contract Performance (Information)**

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 or Dislocated Workers. A corrective action plan has been requested.

All of the programs except Smart are missing one or more youth standards. Corrective action plans have been requested.

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 “10/01/2011” in the “Date Closed” field to review closures/layoffs reported since the October meeting (55 company closures/layoffs and 641 workers affected):

➔ Plant Closure Report

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

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 December 31, 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)** (scroll down the left hand side of the page to find the link to a specific “activities report”)
**Alliance for Workforce Development (Plumas County)**
**Smart Business Resource Center (Shasta County)**
**Alliance for Workforce Development (Sierra County)**
**STEP (Siskiyou County)**
**Job Training Center (Tehama County)** (scroll down the left hand side of the page to find the link to a specific “activities report”)
**Smart Business Resource Center (Trinity County)**

A few highlights from this quarter’s reports are:
• **Butte County** – AFWD partnered with Butte College to provide HERS (home energy rating system) certification training to interested participants. The training started on November 2, 2011. The course provides theory and practice of the fundamentals with full contact, hands-on learning of assessment tools for residential systems.

• **Del Norte County** – The Del Norte Workforce Center continues to publish a twice-weekly job listing newsletter, which reaches over 500 e-mail subscribers. The job listings cover Del Norte, Humboldt, and Curry Counties.

• **Lassen County** – AFWD, in partnership with the Lassen Municipal Utility District (LMUD), offered local contractors the opportunity to participate in the “Smart Business” program. This energy efficiency program assists local businesses to conserve energy and lower their utility bills at no charge, and assists local contractors by paying them out of a special fund for their services.

• **Modoc County** – AFWD partnered with Modoc Medical Center on the second Certified Nursing Assistant (CNA) training class of 2011. The class began on December 5, 2011, and will last seven weeks, consisting of 60 hours of theory and 108 hours of clinical training. Participants in the training will be working for wages (part-time) while participating in this training.

• **Nevada County** – In October, the One Stop Business & Career Center celebrated Customer Service Week with the first annual “Expect the Best: Nevada County” customer service week celebration. Rewards were given to several businesses nominated by a team of secret shoppers throughout the county who were on the lookout for exceptional service. A list of winners is provided in the report.

• **Plumas County** – In October, AFWD hosted the final two (in a series of four) Economic Gardening Workshops for small business owners and entrepreneurs in Plumas County. The topics of these workshops were determined based on the expressed needs of local businesses. Workshop attendees have requested that AFWD continue to provide workshops focused on local business needs.

• **Shasta County** – Shasta College held its RN (Registered Nurse) Pinning Ceremony on December 14, 2011. Of the 30 graduates, 18 were assisted with their training by Smart.

• **Sierra County** – Check out Sierra County’s report for a number of participant success stories.

• **Siskiyou County** – The purpose of the Siskiyou Enterprise Zone program is to provide tax incentives to businesses to spur private capital investment in the local economy. STEP provides eligibility determination for this program and in 2011, 99 local employees were determined eligible.

• **Tehama County** – In October, the Job Training Center celebrated Customer Service Week with the 8th Annual “Expect the Best: Tehama County” customer service week celebration. Rewards were given to several businesses nominated
by a team of secret shoppers throughout the county who were on the lookout for exceptional service. A list of the winners of these prestigious awards are included in the report—check it out!

- **Trinity County** – Smart, in partnership with Trinity Hospital in Weaverville, hosted a six week training program for Certified Nursing Assistants (CNAs) that began on November 28, 2011. Participants completing this training program will be eligible to take the California CNA Certification exam and if they pass the test, they will be hired by Trinity Hospital.

F. **Staff Training (Information)**

1. **Service Provider Staff Development** – NoRTEC Administration convened a Rapid Response and Youth Program Planning meeting with NoRTEC Service Provider staff on November 10, 2011, in Redding. These meetings were held to take the first steps towards the development of NoRTEC-wide Youth and Rapid Response policies and work statements.

2. **NoRTEC Staff Development** - B. Austin attending a two day Technical Assistance forum in November, hosted by the Department of Labor. The forum consisted of four tracks: (1) Workforce Preparation for Youth, (2) Getting People Back to work Reemployment, (3) Emerging and High Growth Industry Strategies, and (4) Fiscal/Administration 101. These topics were designed to equip attendees with new tools and resources for the delivery of more expedient and beneficial services for workers and businesses in these challenging times.

G. **Youth Council Report (Information)**

K. Garcia will give a brief report on Youth Council activities since the last meeting.

H. **NoRTEC Website (Information)**

T. Brown will give a brief demonstration of NoRTEC’s new website.

**Recommended Action:**

*WIB approval of the Second Quarter Program Committee Report.*

*Governing Board approval of the Second 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 $24,092,537 in available funds for the PY 2011/2012 Program Year. This is 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.

<table>
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<th>Project</th>
<th>PY 2011/2012 Funds Available</th>
<th>Additional Funds Requested</th>
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<tr>
<td><strong>TOTAL</strong></td>
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B. Approval of the PY 2011/2012 Second 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 December 31, 2011, NoRTEC had a total of $24,092,537 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 September 30, 2011, and December 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 for this period were: (1) the allocation of MCLAUS IX funding based upon county dislocated worker population, and (2) the redistribution of Clean Energy OJT and Governor’s Challenge grant funding at the request of Service Providers.

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 December 31, 2011, and the remaining balance at December 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: (1) Del Norte is underspent in Youth, (2) Butte/Lassen/Modoc/Plumas/Sierra is underspent in Adult and Dislocated Worker, (3) Shasta/Trinity is underspent in Dislocated Worker, and (4) Siskiyou is underspent in Adult, Youth and Dislocated Worker. Staff has received and reviewed corrective action plans from these service providers, and the plans seem appropriate and reasonable.

There are no other items of concern.

**Background:** NoRTEC service provider expenditures are monitored on a quarterly basis. For the allocated funding titles (Adult, Youth, and Dislocated Worker) there is a minimum and maximum expenditure rate for each quarter of the program year. 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 fall outside the required quarterly rate. The required expenditure rates apply to regular funding titles only and do not apply to special projects.

The concern with underexpenditure of funds is that funds may not be effectively utilized and NoRTEC might not meet the State’s required 80% annual expenditure rate. "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 can then be redistributed to other NoRTEC service providers demonstrating a greater need, or returned to the State if they cannot be effectively utilized within the consortium.

On the other hand, 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.
Effective use of grant funding directly affects NoRTEC's ability to secure additional funding in future years, so it is important that NoRTEC closely monitor service provider expenditure levels.

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 six months ended December 31, 2011. At December 31, 2011, the NoRTEC Administrative Entity had expended 44% of its Operating budget and 17% 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 six months ended December 31, 2011. At December 31, 2011, the WIB/Governing Board expended 39% of its total budget.

There are no items of concern.

**Recommended Action:**

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

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

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

C. **NoRTEC Fiscal Monitoring (Information)**

As noted in the Program Committee Report, NoRTEC staff conducted an on-site review of the Tsunami NEG (National Emergency Grant) on January 4-5, 2012. There were a number of issues regarding the proper documentation of procurement and the distribution of work clothing (to participants). In addition, there were some questioned costs surrounding wage payments to participants for time not actually worked, the purchase of materials that were outside the scope of this contract, and payment for damage to private property that should have been submitted to RHS’ insurance carrier. NoRTEC has not yet issued the monitoring report. When the report is issued, RHS will have 10 days to respond.

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

NoRTEC has received a Draft Monitoring Report from the May 16-20, 2011, State Fiscal and Procurement review. The draft report findings include issues of subrecipient reimbursement documentation, monitoring plan follow-up and updating of the One Stop Memorandum of Understandings. NoRTEC has 25 days to respond to the draft report. The results of the final report will be shared with the WIB/GB when received.

There are no items of concern.
Recommended Action:

WIB approval of the Second Quarter Finance Committee Report.

Governing Board approval of the Second Quarter Finance Committee Report.

IX. EXECUTIVE COMMITTEE REPORT (INFORMATION)

On November 21, 2011, NoRTEC received an e-mail from a staff member at Rural Human Services alleging that Tsunami Project records were being falsified in an attempt to cover up the location of some of the Tsunami Temporary Job Creation worksites. Because the e-mail alleged fraudulent activity, NoRTEC filed an incident report with the Employment Development Department (state) and Department of Labor (federal) on November 22, as required by NoRTEC’s Incident Reporting Policy.

S. Knox, M. Cross, and J. Hough spent two days in Crescent City investigating the allegation and found no evidence that records had been falsified. The final report on the investigation has not yet been issued, but we consider the allegation to be without merit.

X. STATUS OF FUNDING APPLICATIONS (INFORMATION)

A. Prior Approval

MCLAUS IX – This application for $2.75 million to provide intensive and training services to workers laid-off in NoRTEC’s eleven county area was funded.

B. New Applications

There are no new applications.

XI. SMALL BUSINESS UPDATE

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

XII. GUEST SPEAKER

Glenda Humiston, California State Director of USDA Rural Development, will speak to the members about micro/local lending/access to capital.

XIII. OLD BUSINESS (INFORMATION)

Old Business items may be brought up for discussion at the pleasure of the NoRTEC WIB/Governing Board members.
XIV. NEW BUSINESS (INFORMATION)

A. Upcoming WIB/Governing Board Meeting

The next WIB/Governing Board meeting will be held on Thursday, April 26, 2012, in Redding.

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.

XV. ADJOURNMENT