I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES, APRIL 26, 2012 (ACTION)
The minutes from the April 26, 2012, meeting are attached: Minutes

Recommended Action:
WIB approval of the April 26, 2012, minutes, with revisions if needed, as posted.
Governing Board approval of the April 26, 2012, 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. PUBLIC COMMENT
Members of the public will be invited to make brief comments regarding any aspect of NoRTEC business.

VI. WORKFORCE INVESTMENT BOARD APPOINTMENTS (ACTION)
There are currently seven vacancies on the NoRTEC Workforce Investment Board (WIB):

- Three At-Large Organized Labor Seats
- One At-Large Rehabilitation Seat
- One Private Industry Seat in Sierra County
- One Private Industry Seat in Butte County
- One At-Large Private Industry Seat

The following nominations have been received:
<table>
<thead>
<tr>
<th>Organized Labor (Select 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert Belgeri</td>
</tr>
<tr>
<td>Mike Gentry</td>
</tr>
<tr>
<td>Mickey Harrington</td>
</tr>
<tr>
<td>Larry Russell</td>
</tr>
<tr>
<td>John Wilson</td>
</tr>
</tbody>
</table>

*Recommended Action:* Governing Board appointment of three of the five nominated individuals for an At-Large Organized Labor seat on the NoRTEC Workforce Investment Board.

<table>
<thead>
<tr>
<th>Rehabilitation (Select 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Henry Sanchez</td>
</tr>
</tbody>
</table>

*Recommended Action:* Governing Board appointment of Henry Sanchez to fill the Rehabilitation Seat on the NoRTEC Workforce Investment Board.

<table>
<thead>
<tr>
<th>Private Industry (Sierra County) (Select 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodhi Humayoon</td>
</tr>
</tbody>
</table>

*Recommended Action:* Governing Board appointment of Lodhi Humayoon to fill the Sierra County Private Industry seat on the NoRTEC Workforce Investment Board.

There were no nominations for the Butte County Private Industry seat or the At-Large Private Industry seat. Nominations are expected at the October 25, 2012, meeting.

**VII. GUEST SPEAKER (INFORMATION)**

Jocie Boyer, Employment Development Department Labor Market Division, will present the recently completed “Natural Resources Industry Cluster Analysis 2005-2010.”
VIII. NORTEC WEBSITE (INFORMATION)

The NCEN website is now open for business. Staff will give a brief overview:
http://ncen.org

IX. PROGRAM COMMITTEE REPORT

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

A. Program Monitoring (Information)

B. Austin and B. Boyer conducted on-site program reviews of the NoRTEC Service Providers in April-June 2012. NoRTEC staff verified that participant eligibility and service provision for adults, dislocated workers, and youth were properly documented. Program design was also reviewed.

Eligibility determination appeared to be in order for all programs. The paperwork trail documenting adult and dislocated worker movement through the system was adequate. Program design and implementation in all programs appeared to be in order. There were no findings or corrective action requests for any of the programs.

The next program reviews will be scheduled for October-December 2012.

B. State/Federal Monitoring (Information)

There has been no State or Federal monitoring visits since the last meeting.
The OJT-NEG program was monitored in the month of May. The Department of Labor contracted with a CPA firm from Kansas City to perform the review.

Fiscal and participant records were reviewed. When the draft monitoring report is received it will be shared with the WIB and Governing Board.

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

All programs met all performance objectives for the Adult and Dislocated Worker programs.

Smart and the Job Training center are not meeting the Entered Employment Rate for MCLAUS IX. This is not of concern at this time because there are not a large number of participants leaving the program, and there is still nine months left in the grant. Staff will monitor progress closely and request corrective action plans after the end of the 09/30/2012 quarter if necessary.
In the Youth program, Rural Human Services and Smart did not meet the Attainment of a Degree or Certificate performance objective and the Job Training Center did not meet the Literacy/Numeracy Gains performance objective. A corrective action plan to address performance deficiencies in PY 2012/2013 has been requested. In addition, NoRTEC just completed youth program training for line staff to assist with addressing deficiencies.

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 “04/01/2012” in the “Date Closed” field to review closures/layoffs reported since April 1, 2012 (37 company closures/layoffs and 338 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 June 30, 2012:

- 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** – In May 2012, the Butte College’s spring training program for Certified Nursing Assistants graduated 16 students. Nine of these students were sponsored by AFWD. Several of these students wish to continue their training and eventually become Registered Nurses.

- **Del Norte County** – No report was submitted.
• **Lassen County** – Lassen Ale Works at the Pioneer Saloon in historic Uptown Susanville opened for business on May 25, 2012. AFWD assisted the owners with recruitment assistance, new hire packets, new hire orientation assistance, and the use of the computer lab for employees to complete the Serve Safe and TIPS certifications. Twenty-eight people were hired locally to work in the new business.

• **Modoc County** – County job seekers and employers met face-to-face on April 5, 2012, during the 2012 Modoc County Career Expo. About 60 individuals had the opportunity to access one-stop shopping for a new job with several local employers.

• **Nevada County** – Since the opening of the new One-Stop Center in Truckee in late March 2012, more than 250 individuals have come by the center and 23 individuals have been placed in jobs!

• **Plumas County** – AFWD conducted job fairs in Chester, Quincy, and Graeagle in early April. Several employers and many job seekers attended the events.

• **Shasta County** – Smart held three separate tours of their One-Stop center for local high school seniors in April. In addition to touring the facility, the students were given a presentation on the Youth program and some “one-on-one” assistance from the center Program Advisers who helped the students create resumes.

• **Sierra County** – AFWD staff are currently working with two local businesses to provide them with on-the-job training (OJT) contracts to assist them with training new employees.

• **Siskiyou County** – Check out the success story about a young man who attended a STEP sponsored Youth Entrepreneur Camps put on by Juan Casimiro in June 2009. In his testimonial, this young man said, “This STEP Youth Entrepreneur Camp has brought more opportunities to the table than I could have ever imagined...” Read the entire article for more details!

• **Tehama County** – Check page two of the Job Training Center’s report for a list of 79 businesses and organizations that received hiring assistance during the first quarter of 2012!

• **Trinity County** – Smart is currently partnering with the Watershed Research & Training Center in Hayfork to help train and employ Forestry Conservation Workers and Firefighters. Wages for workers once they become employed will range from $17.93 to $20.50 an hour.

F. **Staff Training (Information)**

1. **Service Provider Staff Development** – There has been no staff development since the last meeting.
2. NoRTEC Staff Development - B. Boyer attended the SHRM (Society for Human Resource Management) Conference in Atlanta on June 24-27, 2012. Workshops at the conference included updates to labor laws and cutting edge resources for HR professionals (background checks, hiring tools, benefit packages, etc.).

G. Youth Council Report (Information)

Fourth quarter Youth Council activities are outlined in the attached report: Report

Recommended Action:

WIB approval of the Fourth Quarter Program Committee Report.

Governing Board approval of the Fourth Quarter Program Committee Report.

X. FINANCE COMMITTEE REPORT (ACTION)

Claudia Martin, Finance Committee member, will present the Finance Committee report.

A. PY 2012/2013 Funding (Information)

Note: PY 2012/2013 funding amounts include unspent carry-forward funding from the 2011/2012 program year. The carry-forward amounts will not be finalized until Service Providers submit final 2011/2012 expenditure reports on August 17, 2012. Any differences in the final carry-forward amounts should be small and not significantly affect the total available funding for PY 2012/2013.

NoRTEC currently has $15,670,709 in available funds for the PY 2012/2013 Program Year. This is a decrease of $9,279,357 from PY 2011/2012 Program Year funding.

The reduction in available funding is primarily due to the expenditure of the last of the one-time ARRA stimulus funding in PY 2011/2012.

<table>
<thead>
<tr>
<th>Project</th>
<th>PY 2012/2013 Funds Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult</td>
<td>$3,677,235</td>
</tr>
<tr>
<td>Youth</td>
<td>$3,710,880</td>
</tr>
<tr>
<td>Dislocated Worker</td>
<td>$4,242,436</td>
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<tr>
<td>Rapid Response</td>
<td>$913,806</td>
</tr>
<tr>
<td>MCLAUS IX</td>
<td>$2,464,019</td>
</tr>
<tr>
<td>SESP</td>
<td>$83,342</td>
</tr>
<tr>
<td>NEG OJT Grant</td>
<td>$197,021</td>
</tr>
</tbody>
</table>
AB 118 Alternative Energy Grant | $13,944
AB 118 RICO Grant | $144,780
USDA Rural Community Development Initiative | $171,410
TOTAL | $15,618,873

B. PY 2011/2012 Funding (Information)

For the recently ended 2011/2012 Program Year, NoRTEC had a total of $24,950,066 in available funds. This was a decrease of $7,782,085 from 2010/2011 Program Year funding.

The reduction in available funding is primarily due to the expiration of ARRA funding.

<table>
<thead>
<tr>
<th>Project</th>
<th>PY 2011/2012 Funds Available</th>
<th>Additional Funds Requested</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult</td>
<td>$3,096,270</td>
<td>$0</td>
<td>$3,096,270</td>
</tr>
<tr>
<td>Youth</td>
<td>$3,223,216</td>
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<td>$3,223,216</td>
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<tr>
<td>Dislocated Worker</td>
<td>$3,615,043</td>
<td>$0</td>
<td>$3,615,043</td>
</tr>
<tr>
<td>Rapid Response</td>
<td>$930,739</td>
<td>$0</td>
<td>$930,739</td>
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<tr>
<td>Pathways Out of Poverty</td>
<td>$1,339,180</td>
<td>$0</td>
<td>$1,339,180</td>
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<tr>
<td>MCLAUS VIII</td>
<td>$575,391</td>
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<tr>
<td>SESP</td>
<td>$216,877</td>
<td>$0</td>
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<tr>
<td>Energy Efficiency Conservation Block Grant</td>
<td>$307,508</td>
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<tr>
<td>Governor’s Challenge Grant</td>
<td>$1,682,416</td>
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<tr>
<td>NEG OJT Grant</td>
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<tr>
<td>AB 118 Alternative Energy Grant</td>
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<tr>
<td>AB 118 RICOG</td>
<td>$175,000</td>
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<td>$175,000</td>
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<tr>
<td>USDA Rural Community Dev Initiative</td>
<td>$175,000</td>
<td>$0</td>
<td>$175,000</td>
</tr>
<tr>
<td>Butte/Nevada Dislocated Services</td>
<td>$577,093</td>
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<td>$577,093</td>
</tr>
<tr>
<td>High Concentration of Eligible Youth</td>
<td>$100,000</td>
<td>$0</td>
<td>$100,000</td>
</tr>
<tr>
<td>NEG Disaster - Tsunami</td>
<td>$4,660,925</td>
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<td>$4,660,925</td>
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<tr>
<td>Clean Energy OJT</td>
<td>$292,355</td>
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<td>$292,355</td>
</tr>
<tr>
<td>MCLAUS IX</td>
<td>$2,750,000</td>
<td>$0</td>
<td>$2,750,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$24,950,066</td>
<td>$0</td>
<td>$24,950,066</td>
</tr>
</tbody>
</table>
C. Approval of the PY 2011/2012 Fourth 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 June 30, 2012, NoRTEC had a total of $24,950,066 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 March 31, 2012, and June 30, 2012, 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 service provider contract modifications during this period included (1) the allocation of Rapid Response and Governor’s Challenge funding from NoRTEC Administrative funds, (2) the allocation and deobligation of OJT Grant funding, and (3) the payback of questioned Tsunami expenditures by RHS. Please see the attached report for individual program amounts.

3. PY 2011/2012 Program Expenditure Report

Note: This report is preliminary, but is not expected to vary significantly from the final 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 June 30, 2012, and the remaining balance at June 30, 2012, 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.

Due to the loss of ARRA funding and declining special project funding, the normal WIA Allocated funding expenditure rate requirements were waived for the 2011/2012 Program Year only. Therefore, all service provider expenditures are in compliance with the quarterly minimum target expenditure rates at June 30, 2012. This waiver allowed service providers to carry forward a larger cushion of funding into the PY 2012/2013. There are no 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.

4. **PY 2011/2012 NoRTEC Administrative Entity Expenditure Report**

   *Note: This report is preliminary, but is not expected to vary significantly from the final report.*

   This report shows the Administrative Entity (AE) expenditures against the annual line item budget for the twelve months ended June 30, 2012. At June 30, 2012, the NoRTEC Administrative Entity had expended 94% of its Operating budget and 45% of its Other Projects budget.

   There are no items of concern.

5. **PY 2011/2012 NoRTEC WIB/Governing Board Expenditure Report**

   *Note: This report is preliminary, but is not expected to vary significantly from the final report.*

   This report shows the WIB and Governing Board expenditures against the annual line item budget for the twelve months ended June 30, 2012. At June 30, 2012, the WIB/Governing Board expended 77% of its total budget.

   There are no items of concern.

**Recommended Action:**

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

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

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

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

Fiscal monitorings of three NoRTEC Service Providers were conducted during the quarter. There were no findings at Job Training Center and Alliance for Workforce Development.
There were six findings at Rural Human Services. The findings included a failure to follow procurement requirements, three findings regarding program requirements for OJT contracts, a finding regarding the accuracy of client information in the MIS system, and a finding regarding ineffective internal controls. Staff regards these findings, in particular the finding regarding internal controls, as serious. RHS has responded to NoRTEC’s findings with corrective action plans to address these issues. The plans appear to be adequate, but NoRTEC has not verified their implementation. NoRTEC staff will return to RHS in September to make sure that the deficiencies have been corrected.

There are no other items of concern.

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

The State conducted a fiscal and procurement review of NoRTEC during the week of May 7-11, 2012. 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 Fourth Quarter Finance Committee Report.

Governing Board approval of the Fourth Quarter Finance Committee Report.

XI. TRAINING EXPENDITURE POLICY(ACTION)

Senate Bill (SB) 734, passed by the State of California’s legislature, went into effect on July 1, 2012.

This new legislation requires Workforce Investment Boards in the State of California to spend a minimum of 25% of their Adult and Dislocated Worker formula allocated funding on training services as defined in Title 20 CFR Section 663.508:

A program of training services in one or more courses or classes, or a structured regimen, that upon successful completion, leads to: (1) a certificate, associate degree, or baccalaureate degree; or (2) the skills or competencies needed for a special job or jobs, an occupation, occupational group, or generally, for many types of jobs or occupations, as recognized by employers and determined prior to training.

Prior to this legislation, there were no minimum levels of training expenditures required so NoRTEC staff, in cooperation with our local Service Providers, implemented the reporting requirements for this legislative change on April 1, 2012 (the minimum percentages were not enforced for this period, only the reporting mechanism).

NoRTEC staff also developed the following policy that outlines the expenditure and reporting requirements: Training Expenditure Policy
**Recommended Action:**

**WIB approval of the Training Expenditure Policy, effective July 1, 2012.**

**Governing Board approval of the Training Expenditure Policy, effective July 1, 2012.**

XII. **STATUS OF FUNDING APPLICATIONS (INFORMATION)**

A. **Prior Approval**

1. **Workforce Innovation Funds** – An application to join a group of Local Workforce Investment Areas (LWIAs) to submit a $12 million application to the Department of Labor to provide training in demand occupations in our area was not funded.

2. **AB118/RICO** – An application for $175,000, through the California Energy Commission/Employment Development Department, to continue the RICO Industry Cluster work for the Alternative and Renewable Fuel and Vehicle Technology Program was funded.

B. **New Applications**

NoRTEC staff have had preliminary discussions with the County of Nevada about the feasibility of NoRTEC providing certain housing and community development services in Nevada County. These services would include CDBG (Community Development Block Grant) and CSBG (Community Services Block Grant) services, as well as energy assistance and weatherization services.

Staff envisions that most of the housing, energy assistance and weatherization services would be provided by the Job Training Center (WIA Service Provider in Nevada County), and most of the community development services would be provided by NoRTEC. Staff believes offering these housing services in the Nevada County One Stops could provide a good complement to the current workforce services. In addition, this arrangement could provide a broader base of funding to help support NoRTEC and the Job Training Center as workforce funding declines. If these discussions proceed to the point of a contract, the NoRTEC Governing Board will need to take action at a future meeting.

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 the annual retreat to be held at the Gaia Hotel in Anderson on October 24-25, 2012.
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**