NORTEC
WIB AND GOVERNING BOARD AGENDA
THURSDAY, APRIL 24, 2014
10:00 AM – 2:00 PM
CANYON OAKS COUNTRY CLUB
999 YOSEMITE DRIVE
CHICO, CA

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. APPROVAL OF MINUTES, JANUARY 23, 2014 (ACTION)
   The minutes from the January 23, 2014, meeting are attached: Minutes
   
   **Recommended Action:**
   
   *WIB approval of the January 23, 2014, minutes, with revisions if needed, as posted.*
   *Governing Board approval of the January 24, 2014, minutes, with revisions if needed, as posted.*

V. 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.*

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

VII. WORKFORCE INVESTMENT BOARD APPOINTMENTS (INFORMATION)
   There are three vacancies on the NoRTEC WIB: Organized Labor (At-Large), Private Industry (Lassen County), and Private Industry (Sierra County).
   NoRTEC staff are working to obtain nominations for Governing Board consideration at the July 24, 2014, WIB/Governing Board meeting.
VIII. PROGRAM COMMITTEE REPORT

A. NAWB Forum 2014

Hiram Oilar, WIB Chair, attending the National Alliance for Workforce Boards (NAWB) Forum in Washington, DC, on March 29-April 1, 2014. Oilar will provide a brief presentation on information from the forum.

B. California Drought Impact (Discussion)

Staff will provide a brief presentation on the status of NoRTEC’s drought response to date. Board members are encouraged to provide information about needs in their local areas.

C. Program Monitoring (Information)

Spring program reviews are scheduled on the following dates:

- Rural Human Services – April 2-3, 2014
- Siskiyou Training and Employment Program (STEP) – May 14-15, 2014
- Job Training Center – May 28-29, 2014
- Smart Center – June 9-10, 2014
- Alliance for Workforce Development (AFWD) – June 17-18, 2014

Results of the program monitoring will be presented to the members at the July 24, 2014, WIB/Governing Board meeting.

D. State/Federal Monitoring (Information)

There have been no State or Federal monitoring visits conducted or scheduled since the October meeting.

E. 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

As of March 31, 2014, all of the NoRTEC service providers are meeting all performance standards for the Adult and Dislocated Worker programs.

In the Youth program, Rural Human Services (Del Norte County) is not meeting the Placement in Employment or Education standard (goal 62%, actual 50%). The Job Training Center (Nevada/Tehama Counties) is not meeting the Literacy and Number Gains standard (goal 59%, actual 58%). Corrective action plans have been requested from both programs.

Since NoRTEC’s performance shows we are meeting all standards, there are no areas of immediate concern.
F. **Plant Closure Updates (Information)**

Since January 1, 2014, there have been 44 businesses within NoRTEC that have closed or reported layoffs. More than 800 workers have been affected.

The plant closure website includes all closures and layoffs since WIA’s inception in PY 2000. This data is searchable by date, business name, and county location of the business, and is updated as closures/layoffs occur.

To view the report, click on the link below and enter “>=” and “01/01/2014” in the “Date Closed” field to review closures/layoffs reported since January 1, 2014: [Plant Closure Report](#)

G. **Business Services Report (Information)**

A summary report for all NoRTEC Service Providers with respect to specific data elements is available here: [NoRTEC Business Services Report](#)

Since July 1, 2013, almost 4,000 businesses have received more than 15,000 discrete business services from the Service Providers.

For detailed information from each program, including additional narrative information, access the individual Service Provider reports by clicking on the following links:

- Alliance for Workforce Development (Butte, Lassen, Modoc, Plumas, and Sierra Counties)
- Rural Human Services (Del Norte County)
- Smart (Shasta and Trinity Counties)
- Siskiyou Training and Employment Program (Siskiyou County)
- Job Training Center (Nevada and Tehama Counties)

H. **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. These reports are also full of actual job seeker success stories. In addition to reviewing the report highlights summarized below, please take a moment to review these success stories. Our Service Providers have helped many individuals make important changes in their lives!

Following are links for the reports received for the period ending March 31, 2014:

- 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)
- Alliance for Workforce Development (Plumas County)
- Smart Business Resource Center (Shasta County)
A few highlights from this quarter’s reports are:

- **Butte County** – Last quarter’s report featured information on *Team Chico*, a collaborative partnership between AFWD, the City of Chico, the Chico Chamber of Commerce, the Downtown Chico Business Association, and 3CORE, that established a “business walk program” to market the collaborative partnership and provide a variety of business expertise to the local employer base. This collaborative partnership is “in the news” again this quarter. The California Association for Local Economic Development (CALED) presented *Team Chico* with the **Grand Prize Award of Excellence** in the category of Economic Development Programs at the 34th Annual Training Conference in Sacramento on April 9. Services provided to the Chico area during the 2012-2013 fiscal year by *Team Chico* have had an overall economic impact of more than $31 million on the economy. Check out the report for more details. Go *Team Chico*!

- **Del Norte County** – The Workforce Center and the Del Norte Department of Health and Human Services combined forces for the second annual job social event held on March 20 in Crescent City. Twenty-three employers participated in the event, including WalMart, Home Depot, Jack-in-the-Box, Sutter Coast Hospital and several others. Almost 120 job seekers attended the event. A second event in 2014 may be scheduled in October in preparation for holiday hiring.

- **Lassen County** – Kim Keith, a Lassen Career Center Advisor, was awarded the **Paul Harris Fellowship Award** for her work with community youth. In addition to working with youth through the Career Center, Kim also works with local Girl Scout and Boy Scout groups and has hosted many exchange students through the Rotary Exchange Program. This is a shining example of how local career center staff are involved in their communities above and beyond the work they do every day in the centers. Congratulations, Kim!

- **Modoc County** – Accessing job search assistance services at one of NoRTEC’s Career Centers has once again paid off in a big way for a local job seeker. Crystal, an employee laid off from Bank of America in Alturas, was a registered job seeker with Modoc’s Business & Career Network (BCN). When Dollar General contacted the BCN looking for a Store Manager, they were able to set-up an interview with Crystal who had several years of store management experience before she went to work for Bank of America. Crystal got the job and has been busy setting up the store, hiring sales associates, and “minding the store.”
• **Nevada County** – On the job training contracts, or OJTs, are a training tool that helps local job seekers secure employment. Job seekers who do not have the requisite skills to apply for a job with a particular employer have, through the development of an OJT contract between the employer and a WIA Service Provider, an opportunity to show they have what it takes to become a valuable employee. The employer, by taking on a job seeker they would not normally hire (because of a lack of skills specific to the job), is reimbursed for a percentage of the new employee’s wages for a specified period of time—normally three-six months. The One Stop Business & Career Center in Grass Valley has been utilizing this valuable tool and showcases three OJT contracts written with *An Honest Pie*, *The Friendship Club*, and the *Briar Patch Co-Op*. Please check out the report for details on this training program at these three businesses.

• **Plumas County** – The Plumas Business and Career Network held its 2014 Labor Law Update Workshop in Quincy in mid January. Thirty-three (33) people attended this informative workshop that covered several topics: wage and hour information, discrimination and retaliation protections, immigrant protections, leaves and benefits, background checks, workers compensation, and much, much more! The Alliance for Workforce Development and their job centers hold annual labor law update workshops to keep local businesses “in the know” of recent changes that may affect their company and employees.

• **Shasta County** – The Smart Center is now offering *National Work Readiness Credential (NWRC)* preparation and testing for job seekers. This testing, developed in conjunction with the US Chamber of Commerce, is based on critical skills needed for employment success as defined by managers, workers, and supervisors across several industries. Employers today often require a candidate to take online screening tests as part of the job application package, and many job seekers today say they feel unprepared for these types of “tests,” especially in the areas of math and situational judgment. The NWRC test is comprised of four modules: Active Listening, Situational Judgment, Reading with Understanding, and Math. These modules will help address job seeker deficiencies in the area of “soft skill,” which employers throughout the State claim in one of the largest skill gaps they have to deal with when hiring new employees.

• **Sierra County** – Staff members at the Sierra Business and Career Network have been busy providing services to local high school youth. Teachers offer time slots in their classrooms to allow Career Network staff to conduct a workshop on budgeting and life skills. Students learned about W-2 and W-4 forms, organizing finances, how to write a check, how to balance a checkbook, shopping and transportation strategies, how to obtain and use a Kelly Blue Book, housing options, and how to obtain and keep housing. A second workshop was conducted two weeks later that covered the skills needed for customer service.
These workshops are provided as a community service and serve as outreach and marketing for WIA youth programs.

- **Siskiyou County** – On March 19, 2014, Weed and Mt. Shasta High School students competed in the Youth Entrepreneur program, presenting business concepts to a panel of judges as is done on the popular television program *Shark Tank*. Two STEP employees and five additional individuals from businesses in the community served as judges for the competition. This competition was conducted and funded by the Business Entrepreneurship Center of Shasta College and local Siskiyou County partners including STEP, College of the Siskiyous, US Bank, Siskiyou ROP, and College OPTIONS. Young people participated in exercises that included the development of elevator pitches, the development of a business plan, and a presentation to a panel of judges. The desired outcome of the program is to generate interest among young people to explore self-employment as a career option, and to help them understand the relevance of education—both high school and advanced training after high school. Additional details are provided in the report.

- **Tehama County** – After news that a Raley’s store in Redding was slated to close in April and the Redding store employees would have “bumping” rights based on seniority that would affect employees at the Raley’s store in Red Bluff, Job Training Center staff provided rapid response services to the employees facing layoff from the Red Bluff store. Information was provided to the employees about services available through the Job Training Center and the Employment Development Department. It was initially thought that 25-40 employees from the Red Bluff store would lose their jobs—fortunately, that number was reduced to less than ten. Those employees are currently working with Job Training Center staff to develop plans of action including job search and retraining. Also, check out the report to read about how the Job Training Center was recognized this past quarter in their county, and the project created to help the Red Bluff Round-Up “Round-Up” exposure for local businesses.

- **Trinity County** – Smart is working with Mountain Communities Healthcare District –Trinity Hospital to provide customized training for individuals interested in becoming Certified Nursing Assistants. The three month training is a combination of hand-on training in the acute hospital setting and instructor guided classroom training. Ten individuals completed training in early January, and another training opportunity will be offered in late April.

I. **Staff Training (Information)**

1. **Service Provider Staff Development** – NoRTEC provided training to Smart staff on February 10, 2014, on how to assist training providers with getting their training programs up on the State of California’s Eligible Training Provider List (ETPL).

On February 11, 2014, NoRTEC conducted a Sharepoint demonstration for Job Training Center staff.
2. **NoRTEC Staff Development** - There have been no NoRTEC staff development events since the last meeting.

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

All of the Service Providers in NoRTEC are working on establishing local Youth Councils. Reports for activities in Nevada and Tehama are listed below. An update will be given at the meeting.

- Butte County Youth Council Report
- Nevada County Youth Council Report
- Tehama County Youth Council Report

K. **Program Presentations**

Staff from NoRTEC, the Alliance for Workforce Development (AFWD), and the Siskiyou Training and Employment Program (STEP) will present information on NoRTEC's dislocated worker programs.

**Recommended Action:**

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

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

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

Claudia Martin will present the Finance Committee report.

A. **PY 2013/2014 Funding (Information)**

NoRTEC currently has $14,899,668 in available funds for the 2013/2014 Program Year. This is a decrease of $1,137,230 from 2012/2013 Program Year funding.

The reduction in available funding for the 2013/2014 Program Year is primarily due to the dwindling availability of special project funding. NoRTEC’s allocated funding allocation only dropped 2.7% this year, which was a significantly smaller reduction than we were expecting.

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**B. PY 2014/2015 Funding Allocation (Information)**

NoRTEC has received notice of its PY 2014/2015 allocated funding amounts. NoRTEC will receive $7,579,974 in allocated funding (Adult, Youth, and Dislocated Worker) for PY 2014/2015. This is a $422,270 (5.6%) decrease from PY 2013/2014 funding.

NoRTEC’s allocated funding is down $2,122,173 (22%) from 2010 levels, when NoRTEC’s allocation was $9,702,147.

**C. Approval of the PY 2013/2014 Third Quarter Financial Reports (Action)**

1. **PY 2013/2014 Contracts Summary**

   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 2013/2014 program year. As of March 31, 2014, NoRTEC had a total of $14,899,668 available in State contracts for the 2013/2014 program year. This report includes only amounts available in the current year. Amounts expended in prior years are not included.

2. **PY 2013/2014 Service Provider Contract Modifications Report**

   This report shows the changes between July 1, 2013, and March 31, 2014, 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 period included the allocation of MCLAUS X funding to Rural Human Services, Alliance for Workforce Development, and SMART Business Resource Center, as well as voluntary funding shifts of NEG-OJT funding for Alliance for Workforce Development, SMART Business Resource Center, and Job Training Center.

   The attached report outlines individual allocations and modifications. There are no items of concern.

3. **PY 2013/2014 Program Expenditure Report**

   This report shows each subcontractor’s total available balance for the program year (July 1, 2013, to June 30, 2014), the cumulative expenditures for the quarter ended March 31, 2014, and the remaining balance at March 31, 2014, 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.

4. **PY 2013/2014 NoRTEC Administrative Entity Expenditure Report**

This report shows the Administrative Entity (AE) expenditures against the annual line item budget for the nine months ended March 31, 2014. At March 31, 2014, the NoRTEC Administrative Entity had expended 58% of its Operating budget and 34% of its Other Projects budget. Overall, the Administrative Entity spent 52% of its budget.

There are no items of concern.

5. **PY 2013/2014 NoRTEC WIB/Governing Board Expenditure Report**

This report shows the WIB and Governing Board expenditures against the annual line item budget for the nine months ended March 31, 2014. At March 31, 2014, the WIB/Governing Board had expended 48% of its total budget.

There are no items of concern.

**Recommended Action:**

*The Finance Committee recommends approval of the PY 2013/2014 Third Quarter Finance Reports.*
WIB approval of the PY 2013/2014 Third Quarter Finance Reports.

Governing Board approval of the PY 2013/2014 Third Quarter Finance Reports.

D. NoRTEC Fiscal Monitoring (Information)

On-site fiscal and procurement monitoring of the five NoRTEC Service Providers has been scheduled between April-June 2014.

Rural Human Services was monitored April 2-3, 2014. There were no findings. During the monitoring, a previous open finding relating to OJT policies and procedures was reviewed. A contract between Rural Human Services and a local employer was reviewed, and all documentation was in order. The finding is now closed.

The results of the monitoring of the four remaining service providers will be reported at the next WIB/Governing Board meeting.

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

The Employment Development Department’s Compliance Review Division conducted its annual fiscal and procurement review of NoRTEC during the week of February 24, 2014. The final monitoring report has been received. There were no findings.

F. PY 2014/2015 NoRTEC Administrative Entity Budget (Action)

The Finance Committee is recommending the PY 2014/2015 Administrative Budget be approved at $1,562,716. This is a $56,150 (3%) decrease from the amount approved for PY 2013/2014. The primary budget change is due to the reduction of the Special Projects line item as a result of the completion of the RCDI project in September 2014. Other line item amounts have been adjusted to reflect expected expenditures in PY 2014/2015.

All budgets are approved subject to availability of funding. Sufficient funding to cover the budget is anticipated.

Please see the attached for details:

Proposed PY 2014/2015 Administrative Entity Budget

Narrative for Proposed PY 2014/2015 Administrative Entity Budget

Recommended Action:

WIB approval of the PY 2014/2015 NoRTEC Administrative Entity Budget at $1,562,716, subject to the availability of funding.

Governing Board approval of the PY 2014/2015 NoRTEC Administrative Entity Budget at $1,562,716, subject to the availability of funding.
G. **PY 2014/2015 WIB/Governing Board Budget (Action)**

The Finance Committee is recommending the PY 2014/2015 WIB/Governing Board Budget be approved at $90,000. This is the same amount budgeted in PY 2013/2014.

All budgets are approved subject to availability of funding. Sufficient funding to cover the budget is anticipated.

Please see the attached for details:

- [Proposed PY 2014/2015 WIB/Governing Board Budget](#)
- [Narrative for Proposed PY 2014/2015 WIB/Governing Board Budget](#)

**Recommended Action:**

- **WIB approval of the PY 2014/2015 NoRTEC Administrative Entity Budget at $90,000, subject to the availability of funding.**

- **Governing Board approval of the PY 2014/2015 NoRTEC Administrative Entity Budget at $90,000, subject to the availability of funding.**


NoRTEC has received its June 30, 2013, Single Audit Report for the administrative entity. The audit was “clean,” meaning there were no findings, questioned costs, or recommendations resulting from the audit. The Finance Committee has reviewed the audit report and has recommended the WIB and Governing Board accept the audit report.

A copy of the report can be accessed here: [NoRTEC Single Audit Report](#)

**Recommended Action:**

- **WIB acceptance of the June 30, 2013, Single Audit Report.**

- **Governing Board acceptance of the June 30, 2013, Single Audit Report.**

**Recommended Action:**

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

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

X. **STATUS OF FUNDING APPLICATION**

A. **Prior Approval (Information)**

There are no pending applications.

B. **New Applications (Action)**

1. **YouthBuild 2014** – Staff are requesting approval to submit an application to the Department of Labor for $1,100,000 to develop and implement a YouthBuild
program which will provide education, occupational skills training, and employment services to disadvantaged youth who will be performing meaningful work and services to their communities.

2. **H-1B Ready to Work Partnerships** – Staff are requesting approval to submit an application for $3,000,000 to the Department of Labor to provide long-term unemployed workers with individualized counseling, training and supportive and specialized services leading to employment in occupations and industries for which employers use H-1B visas to hire foreign workers.

3. **Drought Assistance** – Staff are requesting approval to submit an application to the State of California for $600,000 to reach out to businesses and workers affected by the drought, collect data on the effects of the drought, and provide services to those who have lost their jobs due to the drought. It is expected that we will request additional drought funding once the full impact and need has been established.

**Recommended Action:**

- WIB approval of staff submitting applications to the Department of Labor for YouthBuild 2014 and H-1B Ready to Work Partnerships, and to the State of California for Drought Assistance.

- Governing Board approval of staff submitting applications to the Department of Labor for YouthBuild 2014 and H-1B Ready to Work Partnerships, and to the State of California for Drought Assistance.

**XI. NORTEC AD HOC GOVERNANCE COMMITTEE REPORT (INFORMATION)**

The Ad Hoc Governance Committee was selected at the January 24, 2014, WIB/Governing Board meeting. Members selected were:

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<th>WIB</th>
<th>Governing Board</th>
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<tr>
<td>Tom Cochran</td>
<td>Les Baugh</td>
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<td>Jim Cook</td>
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<td>Larry Russell</td>
<td>Sherrie Thrall</td>
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<td>Lee Osborne (alternate)</td>
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The committee met on April 23, 2014, to discuss modifications to the NoRTEC WIB/LEO Operating Agreement. The Agreement outlines the duties and responsibilities of the WIB and Governing Board and describes how the boards will work jointly to conduct NoRTEC business.

The committee will share progress on potential modifications to the agreement. The final agreement will be presented to the WIB and Governing Board for approval at the July 24, 2014, meeting.
XII. **NRCD UPDATE (INFORMATION)**

Northern Rural Communities Development, Inc. (NRCD) is applying for two Department of Labor grants this month. The first grant is a $2,000,000 application to serve ex-offenders enrolled in work release programs in Oroville. The second grant is a $1,500,000 application to help court-involved youth in Oroville develop employment skills and find jobs. Alliance for Workforce Development (AFWD) would be the primary service provider for both grants.

NoRTEC was not eligible to apply for these grant opportunities because they were only open to 501(c)(3) nonprofit organizations.

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 Meetings**

   The next WIB/Governing Board meeting is scheduled for Thursday, July 24, 2014, at a yet to be determined site. The site will likely be in Red Bluff, Anderson, or 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**