

NORTEC
WDB AND GOVERNING BOARD AGENDA
THURSDAY, APRIL 25, 2019
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)**

There are three vacancies on the NoRTEC Workforce Development Board due to the resignation of Jim Cook (Private Industry), Sam Roy (Private Industry), and Debra Speers (Rehabilitation). Nominations have been received for all three seats.

Megan Enyeart has been nominated by the Chico Chamber of Commerce to fill a Private Industry seat. Megan is the On-Boarding and Recruitment Manager for Fifth Sun, Inc., an apparel manufacturer in Chico.

[Application](#)

[Nomination Letter](#)

Geoff Lawson has been nominated by growTECH (industry sector partnership) to fill a Private Industry seat. Geoff is the Director of Software Engineering of Pocket Points, Inc., headquartered in Chico.

[Application](#)

[Nomination Letter](#)

Regina Muse has been nominated by the Department of Rehabilitation to fill the Rehabilitation seat. Regina is stationed in Chico and is the Team Manager for the Department of Rehabilitation. Regina was a Department of Rehabilitation Counselor for eleven years and is also an adjunct faculty member at Chico State.

[Application](#)
[Nomination Letter](#)

Recommended Action:

Governing Board appointment of Megan Enyeart and Geoff Lawson to fill the vacant at-large Private Industry Seats, and Regina Muse to fill the vacant at-large Rehabilitation seat on the NoRTEC Workforce Development Board.

VII. **NORTEC STRATEGIC GOALS (INFORMATION)**

A. **Strategic Goal #3 – Promote Open Communication Among Local and Regional Workforce Partners to Create a Shared Vision and Regional Strategy**

An April 11, 2019, article in the Sacramento Bee focused on the continuing threat to California communities from wildfire. The article profiled ten communities that are considered by CalFire to be in the “very high fire hazard severity zone.” Both Shingletown and Nevada City/Grass Valley were highlighted ([article](#)). The CalFire map produced for the story shows that most of the NoRTEC region is within the “very high fire hazard severity zone” ([map](#)).

Abby Browning, Chief of the Office of Private Sector/NGO Coordination of the Governor’s Office of Emergency Services (Cal OES), will speak about lessons learned from previous natural disasters in California with a focus on what actions we can take to prepare our communities and economy for future events.

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

Most of the information reported during NoRTEC’s quarterly meetings is presented for the region; however, there is a lot going on in the cities, towns, and communities in each of our eleven counties. A representative from NoRTEC’s four service providers will highlight one recent activity/event in each of their respective counties.

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, January 24, 2019](#)

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

B. [Program Report](#)

This quarter’s report provides routine information on third quarter performance measures under WIOA and routine quarterly program reports. NoRTEC is meeting all performance measures in the Adult and Dislocated Worker and Youth programs. AFWD, SMART, and STEP are meeting all performance measures for the Adult, Dislocated Worker, and Youth programs.

The Job Training Center (JTC) is meeting all performance measures for the Adult, Dislocated Worker and Youth programs, except for the Measureable Skills Gain benchmark in the Youth program. JTC submitted a corrective action plan and it appears they will meet this last benchmark by the end of the program year.

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 \$23,407,674 in available funds for the 2018/2019 program year. An additional \$1,333,000 of the Carr Fire 2018, \$4,666,667 Camp Fire Workforce Development, and \$5,833,333 Camp Fire Temporary Jobs will be allocated incrementally by the State. The Prison to Employment Initiative for \$1,947,647 and Accelerator 7.0 (Launching Latino Youth) for \$150,000 will be allocated later this year. When these funds are allocated, NoRTEC will have \$37,338,321. This would be an increase of \$17,774,924 over 2017/2018 Program Year funding.

Project	PY 2018/2019 Funds Available	Additional Funds Requested	Total
Adult	\$3,132,316	\$0	\$3,132,316
Youth	\$3,122,681	\$0	\$3,122,681
Dislocated Worker	\$2,620,088	\$0	\$2,620,088
Rapid Response	\$655,963	\$0	\$655,963

Rapid Response – Layoff Aversion	\$215,431	\$0	\$215,431
Regional Training Coordinator	\$99,938	\$0	\$99,938
CA Manufacturing (CMTC)	\$110,308	\$0	\$110,308
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	\$0	\$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 Planning	\$95,000	\$0	\$95,000
Additional Asst. Camp Fire	\$999,500	\$0	\$999,500
Camp Fire Workforce Development	\$2,333,333	\$4,666,667	\$7,000,000
Camp Fire Temporary Jobs	\$2,916,667	\$5,833,333	\$8,750,000
Slingshot 2.0 Regional Planning	\$225,000	\$0	\$225,000
North State Regional Planning	\$157,200	\$0	\$157,200
Prison to Employment Initiative	\$0	\$1,947,647	\$1,947,647
Accelerator 7.0	\$0	\$150,000	\$150,000
TOTAL	\$23,407,674	\$13,930,647	\$37,338,321

B. Approval of the 2018/2019 Third 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 March 31, 2019, NoRTEC had a total of \$23,407,674 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 December 31, 2018, and March 31, 2019, 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.

There were no modifications during this time.

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 March 31, 2019, and the remaining balance at March 31, 2019, 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.

All service providers were meeting the requirement. There are no other 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 March 31, 2019. At March 31, 2019, the NoRTEC Administrative Entity had expended 60% of its Operating budget and 58% of its Other Projects budget. Overall, the Administrative Entity spent 59% 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 March 31, 2019. At March 31, 2019, the WDB/Governing Board had expended 49% of its total budget.

There are no items of concern.

Recommended Action:

WDB approval of the third quarter financial reports.

Governing Board approval of the third quarter financial reports.

C. [NoRTEC Fiscal Monitoring \(Information\)](#)

Fall monitoring for all service providers has been completed. There were no findings or areas of concern.

Spring monitoring visits are underway and will be completed by June 30, 2019. The results of the monitoring will be reported at the August 22, 2019, meeting.

D. [State Fiscal and Procurement Monitoring of NoRTEC \(Information\)](#)

The Employment Development Department's Compliance Review Division will conduct their annual fiscal and procurement monitoring of NoRTEC the week of May 6, 2019. The results of the review will be reported to the Board when the review has been completed.

E. [PY 2019/2020 NoRTEC Administrative Entity Budget \(Action\)](#)

The Finance Committee has reviewed the budget and is recommending the PY 2019/2020 Administrative Entity Operating Budget be approved at \$1,666,666 and the Administrative Other Projects Budget be approved at \$605,000. The proposed changes in individual budget line-items are outlined in the budget narrative. The proposed budget increase of \$277,500 is primarily for additional staffing needs resulting from the anticipated increase of \$17,774,924 (90%) in available funding.

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

See attached for details:

[Proposed PY 2019/2020 Administrative Entity Budget](#)

[Narrative for Proposed PY 2019/2020 Administrative Entity Budget](#)

Recommended Action:

WDB approval of the PY 2019/2020 NoRTEC Administrative Entity Operating Budget for \$1,666,666 and the PY 2019/2020 Administrative Entity Other Projects Budget for \$605,000 subject to availability.

Governing Board approval of the PY 2019/2020 NoRTEC Administrative Entity Operating Budget for \$1,666,666 and the PY 2019/2020 Administrative Entity Other Projects Budget for \$605,000 subject to availability.

F. **PY 2019/2020 WDB/Governing Board Budget (Action)**

The Finance Committee has reviewed the budget and is recommending the PY 2019/2020 WDB/Governing Board Budget be approved at \$97,000. The proposed total increase of \$7,000, as outlined in the narrative, relates to the rise in costs associated with insurance and meetings.

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

See attached for details:

[Proposed PY 2019/2020 WDB/Governing Board Budget](#)

[Narrative for Proposed PY 2019/2020 WDB/Governing Board Budget](#)

Recommended Action:

WDB approval of PY 2019/2020 WDB/Governing Board Budget at \$97,000, subject to the availability of funding.

Governing Board approval of PY 2019/2020 WDB/Governing Board Budget at \$97,000, subject to the availability of funding.

G. **Acceptance of the June 30, 2018, Single Audit Report (Action)**

NoRTEC has received its June 30, 2018, 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. A copy of the audit report may be accessed here: [NoRTEC Single Audit Report](#)

Recommended Action:

WDB acceptance of the June 30, 2018, Single Audit Report.

Governing Board acceptance of the June 30, 2018, Single Audit Report.

Recommended Action:

WDB approval of the third quarter Finance Report.

Governing Board approval of the third quarter Finance Report.

X. STATUS OF FUNDING APPLICATIONS (INFORMATION)

A. Prior Approval

1. Regional Planning Grant - Staff submitted an application to the State for \$225,000 that supports the implementation of NoRTEC's regional plan. The project was funded for the requested amount.
2. Regional Organizer and Regional Training Grant - Staff submitted an application to the State for \$157,200 to continue Regional Organizer and regional training activities throughout the NoRTEC region. The project was funded for the requested amount.
3. Additional Assistance Grant (Camp Fire) – Staff submitted an application to the State for \$999,5000 to provide immediate services to individuals who lost their jobs due to the Camp Fire. The project was funded for the requested amount.
4. Camp Fire National Dislocated Worker Grant (NDWG) - Staff submitted an application to the State for a total of \$15,750,000 to be utilized to develop temporary jobs to help public and private non-profit entities clean up and repair damage from the Camp Fire. This application also includes funding to provide career and training services to job seekers beyond the temporary job assignment. The project was approved and funded for \$8,750,000 for temporary job creation and \$7,000,000 for career and training services. This type of funding, however, is awarded in three increments. NoRTEC received the first increment (\$2,916,667 for temporary job creation and \$2,333,333 for career and training services, totaling \$5,250,000), and the remaining two increments of \$5,250,000 each will be awarded at a later date, provided we still have a need.
5. Prison to Employment: Implementation and Direct Services Grant – Staff submitted an application to the State for \$1,955,000 to implement regional Prison to Employment plans and serve the formerly incarcerated and other justice system involved individuals throughout the NoRTEC region. The project was funded for \$1,947,647.
6. Workforce Accelerator Fund 7.0 – Staff submitted two applications to the State for two projects that bridge education and workforce gaps for targeted populations and build workforce system capacity. Each project requested the maximum allowable, \$150,000.

One project was submitted in cooperation with AFWD (Butte County) and was focused on continuing their work with Butte County Probation serving supervised populations through a holistic case management approach. The second project was submitted in cooperation with the Job Training Center (Tehama County) and was focused on providing Latino youth (16-24) who are children of immigrants (or who are DACA program participants) with the knowledge and resources to help them access education and training opportunities they are currently unaware of.

The Job Training Center's project was selected for funding for \$150,000. The project plans to provide paid summer internships to youth to provide first-hand

exposure to high-wage, high-growth occupations, pair youth with professional Latino mentors from within the NoRTEC region, and ensure the youth learn about the resources available to them in pursuit of meaningful, well-paying employment.

B. New Applications

There are no new applications requiring approval.

XI. REGIONAL AND LOCAL PLAN (ACTION)

Under WIOA, a biennial update of regional and local workforce development plans is required in order to ensure plans remain current and account for “changes in labor market and economic conditions or in other factors affecting the implementation of the local plan” (29 U.S. Code § 3123). The California Workforce Development Board (CWDB) also made changes to their State Plan which require Local Workforce Development Boards to update their plans to keep them consistent with the policy direction of the State Plan. This two-year plan modification presents data on incarcerated and justice involved populations, the system of services currently in existence, identified gaps and the status of collaborative efforts and economic and workforce trends.

To fulfill the requirements of the State guidance and to ensure robust community input, NoRTEC hosted multiple stakeholder discussion sessions throughout its counties, including a listening session outside of traditional business hours. Invitees included organizations listed in the State’s Directory of Planning Partners as well as additional local organizations and justice partners across the eleven counties. In addition, meeting announcements were submitted to the California Workforce Development Board, posted in the America’s Job Centers of California (AJCCs), and posted on the NoRTEC website.

At the conclusion of these input from stakeholder sessions, the local and regional plan modifications were developed and posted on NoRTEC’s website. A notice of availability of the local and regional plan modifications were posted in the AJCCs, noted on NoRTEC’s website, and published in both the Enterprise Record (Chico) and Record Searchlight (Redding) newspapers. These notifications included a statement about a 30-day comment period, which ended on March 6, 2019. No comments were received.

The WDB and the Governing Board must now approve both the local and regional plan modifications before they are submitted to the California Workforce Development Board.

Copies of both documents may be accessed via NoRTEC’s website, or by clicking on the direct links below:

[NoRTEC Regional Plan Modification](#)

[NoRTEC Local Plan Modification](#)

Recommended Action:

WDB approval of the NoRTEC Regional Plan Modification, as published.

Governing Board approval of the NoRTEC Local Plan Modification, as published.

XII. NORTEC WORKFORCE DEVELOPMENT BOARD RECERTIFICATION (ACTION)

The Workforce Innovation and Opportunity Act (WIOA) requires the Governor to recertify local workforce areas and their respective workforce development board every two years. Our current designation as a local area with an approved workforce development board expires on June 30, 2019.

The Governor will approve our request for subsequent designation if:

1. The NoRTEC Workforce Development Board (WDB) composition meets statutory membership requirements;
2. NoRTEC met or exceeded performance accountability measures during the previous certification period; and
3. NoRTEC sustained fiscal integrity over the previous certification period.

NoRTEC has met all three requirements and staff propose to submit the following document to the State: [Application for Subsequent Local Area Designation and Local Board Recertification Program Year 2019-21](#).

Recommended Action:

WDB approval of the Application for Subsequent Local Area Designation and Local Board Recertification for submission to the State.

Governing Board approval of the Application for Subsequent Local Area Designation and Local Board Recertification for submission to the State.

XIII. OLD BUSINESS (INFORMATION)

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

XIV. NEW BUSINESS (INFORMATION)

A. Upcoming WDB/Governing Board Meetings

1. The August 22, 2019, WDB/Governing Board meeting is scheduled from 10:00 am – 2:00 p.m. at the Canyon Oaks Country Club in Chico.
2. The October 24, 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.

XV. ADJOURNMENT