

**GOLDEN SIERRA WORKFORCE INVESTMENT BOARD  
EXECUTIVE & FINANCE COMMITTEE  
SPECIAL MEETING  
MINUTES**

**Thursday, May 15, 2014, 12:00 pm**

**Brandman University  
3001 Lava Ridge Court #250  
Room 136  
Roseville, CA 95661**

I. ROLL CALL AND INTRODUCTION OF GUESTS

Quorum was established and the meeting was called to order by Miller at 12:02 pm.

Present (EC): Tink Miller, David DeLeonardis, Kevin Ferreira

Absent (EC): Martha Escobedo, Laurel Brent-Bumb

Present (FC): Tink Miller, David Frazier, Paul Castro

Guests: Jason Buckingham, Lorna Magnussen, Latanya Johnson, Terrie Trombley, Lynda Webb, Jenny Wilson, Michael Indiveri

II. APPROVAL OF AGENDA (EC & FC)

Remove item V from Agenda due to no changes.

**Motion** to approve as amended by David DeLeonardis, second by Kevin Ferreira.

**Motion** approved unanimously.

III. APPROVAL OF MINUTES APRIL 17, 2014 JOINT EC & FC MEETING

Correct agenda item I. Roll Call - Executive Committee to reflect Escobedo as absent.

**Motion** to approve as corrected David DeLeonardis, second by Paul Castro.

**Motion** approved unanimously.

IV. PUBLIC COMMENT-FOR THOSE ITEMS ON THE AGENDA

Buckingham provided an update on El Dorado Counties request to use an indirect cost rate. At this time we cannot accept an indirect cost rate without it being certified by their Federal Cognizant Agency. El Dorado's current contract requires a direct charge that prevents us from using an indirect cost plan. It does not mean that we cannot do a modification or use a cost allocation plan which could be similar to an indirect cost rate. For now we will have to work through a cost allocation plan and a contract modification if we want to implement whatever percentage would be appropriate for the cost allocation plan. The modification plan and the indirect cost rate are not complete at this time.

V. APPROVAL OF FISCAL YEAR 2013/2014 BUDGET REVISION (FC)

Deleted under Agenda Item II

VI. APPROVAL OF FISCAL YEAR 2014/2015 DRAFT BUDGET(FC)

Buckingham began with thanking Terrie, Lorna and Darlene for their work in drafting this budget with a significant reduction of funds. He states it is highly unlikely that there will be two One Stop Centers in Placer County next year, even though there are grant applications out and the budget is still unclear, consolidation of the Placer County centers will most likely occur.

Trombley provided the following:

- Prop 39 award has been received but is not included in this budget
- Budget includes roll over and new allocation funding
- Rapid Response funding – 1) includes an assumption that we will receive a waiver for Rapid Response that will allow funding to be expended through the next fiscal year (\$60,000 carryover); 2) The state has not confirmed our actual for 2014/2015 (\$263,120 estimate).
- Expenditures are in line with the funding that we have. Frazier asked for confirmation that the 3.6 million in the program year is a solid number. Trombley confirmed that it is correct
- This is the third year of meeting SB 734, Direct Training requirement. In the first year (K3 12/13), 25% of WIA funding was spent on Direct Training; (K4 13/14), 20% was spent and (K5 14/15) the goal is to spend 15%. We are confident that the goal of 10% leverage for the next fiscal year will be met. Page 12 shows the funding requirements of 25% for adult, dislocated worker training. This demonstrates 15% for WIA cash award and 10% leveraged funds. Examples of leverage are Pell Grants or Employer portion of OJT. Buckingham clarified that it is money outside of WIA funding and it is required to show where the funding is allocated from and that it meets the requirement. The leverage does not show up in the budget because it is a non-cash transaction. Trombley noted the following correction on Page 12 - Adults & Dislocated Worker Distribution – ~~20%~~ 15% WIA Cash Award and ~~5%~~ 10% Leveraged Funds. Buckingham stated that the leverage is a requirement of the award. The match needs to be shown to comply with SB 734. K3 was all cash and no leverage so it was easier, but K4 was more of a challenge to get the money out due to the government shutdown. Buckingham stated that we will include an update as part of our regular report out, but feels confident in meeting the requirement. Based on current Placer County analysis we had approximately 70% in match. If it appears in December that we are not going to meet the requirement, a budget revision will be required.

Frazier stated that we are switching from a cash accounting system to an accrual accounting system and wants to make sure that preparations are being made for these changes. Trombley demonstrated Leverage on 5L that shows \$249,317 is planned leverage from outside sources. If this leverage is not coming to fruition, these numbers would have to be reduced and WIA funding would then need to be expended towards direct training.

Castro suggested that forecasting the suggested changes would be a benefit and could show the impact on operations. Buckingham confirms that a simple dashboard report can be done to capture performance and projection for each quarter.

Indiveri inquired if there are any consequences for non-compliance. Buckingham stated that the state will not begin monitoring compliance until 2016. Trombley stated that K3 close out reports are due in August; a corrective action plan will probably be sent to counties that are not in compliance. Trombley and Buckingham agreed to create and report out on these performance and projections.

Trombley stated that each county is at different stages of spending their training dollars and meeting leverage. El Dorado has a large amount of training dollars remaining on their K4 contract and will soon be receiving K5 funds; Webb stated that spending these dollars would not be a problem. Placer is fully expended on K4 training dollars. Trombley will work with El Dorado to collect data for report out for Finance Committee. Frazier voiced his concern about the amount of money compiling in El Dorado.

- Miller inquired about the shift in retiree benefits. The shift reflects an increase in benefits and a decrease in services & supplies. Trombley stated that last year, the Placer County retiree dental was overcharged and we received a credit. In addition, this year includes a projected increase for healthcare. Trombley added that the salaries & benefit line includes carry over funds from vacant positions during a period of the year and will help allow us to fund DEI staff after grant ends through June 30, 2014. Trombley added that OPEB costs (Page 6 Line 9) are an estimate at this time. DeLeonardis ask what impact on staffing occurs in next fiscal year when carry over is depleted. Buckingham stated that the positions that may be impacted are primarily limited term or extra help that are brought on with the expectation that the position is temporary.
- Buckingham stated that the consideration to consolidate centers is not necessarily based on funding the operations of the centers, but in staffing two centers. Frazier inquired when closing one of a center might happen. He stated it would have to happen by July of 2015. The preference would be to keep the Auburn center open but Roseville has our key partner, EDD, and has the largest population base. The decision has yet to be made.

**Motion** to approve the 2014/2015 budget with a caveat to closely monitor the leverage and be provided with impact reports by Frazier, second by Castro.

**Motion** approved unanimously.

VII. NEW BUSINESS/FUTURE AGENDA ITEMS

- Final Budget may require special meeting.
- June 19<sup>th</sup> may not be required; members will be notified.

VIII. NEXT MEETING – Joint EC & FC, Thursday, June 19, 2014 (pending)  
Roseville Connections

IX. ADJOURNMENT

**Motion** to adjourn at 12:45 pm by Frazier.

**Meeting** adjourned