

GOLDEN SIERRA JOB TRAINING AGENCY

GOVERNING BODY MINUTES

Wednesday, April 6, 2016 – 10:00 a.m.

Golden Sierra Job Training Agency
1919 Grass Valley Highway, Suite 100
Auburn, CA 95603

I. ROLL CALL AND INTRODUCTION OF GUESTS

Quorum was established and the meeting was called to order at 10:03 a.m. by Chair Uhler.

Present: Kirk Uhler – Chair, Michael Ranalli – Vice Chair, Katherine Rakow

Absent: None

Guests: Jason Buckingham, Lorna Magnussen, Kathleen Franklin, Terrie Trombley, Kristianne Seargeant, Herman Williams, Gloria Earl, Stephen Amezcua

II. APPROVAL OF AGENDA

Uhler called for opposition to the agenda; hearing none he moved on to the consent agenda.

III. CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine in nature and will be approved by one blanket motion.

A. Approval of Minutes from February 3, 2016 GB Meeting

Motion to approve the consent agenda by Ranalli, second by Rakow.

Motion approved unanimously.

IV. PUBLIC COMMENT – FOR ITEMS NOT ON THE AGENDA

None

V. APPROVE RESOLUTION 15-06 – SIGNATURE AUTHORITY

Buckingham explained that delegation of signature authority is requested annually and has routinely been granted by the Governing Board. Previous approval did not contain dollar limits; however, specific language in the amended Joint Powers Agreement (JPA) requires that the Governing Board establish a dollar limit. The limits being suggested allow the Agency to accept funds not to exceed \$1,000,000 from governmental entities, and not to exceed \$250,000 from non-governmental third parties.

Motion to approve Resolution 15-06 by Ranalli, second by Rakow.

Motion approved by roll call.

Aye: Uhler, Ranalli, Rakow
Nay: None
Abstain: None
Absent: None

VI. APPROVE FY 2014/2015 FINANCIAL STATEMENTS/SINGLE AUDIT; VAVRINEK, TRINE, DAY & CO

Trombley spoke briefly reporting that this year's audit was very routine. She informed the Board that the one significant change this year was the implementation of GASB 68, *Accounting and Financial Reporting for Pensions*. She introduced Herman Williams of Vavrinek, Trine, Day & Co., LLP; Certified Public Accounts who would be doing the audit presentation. She told the Board that unless they had specific questions; Williams would not be going through the financial statements in great detail but would be highlighting those areas he felt were necessary for the Board's understanding of the audit and findings.

Williams presented the independent auditors report on the financial statements, the report on internal control as well as the report on major programs in compliance with A-133 for the year ending on June 30, 2015. He informed the Board that they have issued a clean opinion on all aspects of the audit. The following items were presented and discussed:

- Page 9 of 94 - Qualitative Aspects of Accounting Practices
- Page 10 of 94 - Difficulties Encountered with Performing the Audit; Disagreements with Management; Management Representations; Management Consultations with Other Independent Accounts
- Page 14 of 94 - Audit Opinions
- Page 15 of 94 - Emphasis of Matter
- Page 24 of 94 – Statement of Net Position
- Page 32 of 94 – Effect of New Governmental Accounting Standards Board (GASB) Pronouncements, Future Governmental Accounting Standards Board (GASB) Pronouncements
- Page 36 of 94 – Note F – Pension Plan
- Page 45 of 94 – Restatement of Net Position
- Page 49 of 94 – Schedule of Agency's Proportionate Share of the Net Pension Liability
- Page 50 of 94 – Schedule of the Agency's Pension Contributions
- Page 53 of 94 – Internal Control over Financial Reporting
- Page 55 of 94 – Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance Required by OMB Circular A-133
- Page 59 of 94 – Schedule of Findings and Questioned Costs

Uhler asked Williams to define Fair Value Measurement. Williams explained that the definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Trombley asked if that analysis would have to be done on the Agency's pension investments to which Williams replied yes.

Williams went on to discuss future implementation of Governmental Accounting Standards Pronouncements, specifically with regards to GASB 71. Uhler spoke of his concern that next year the Agency would have to implement OPEB with GASB 71. With regards to the implementation of GASB 73, 74, and 75, Trombley explained that the Agency is having Bartel & Associates, compile required information in order to implement the above noted pronouncements into the Agency’s financial statements for FY 2015/2016.

Williams drew the Board's attention to the *Summary of Auditors’ Results* stating again that there were no negative findings, no material weaknesses, or significant deficiencies for the audit report of the Fiscal Year ending June 30, 2015. Furthermore he thanked the Agency for their cooperation which enabled the auditors to successfully complete their task.

Motion to approve FY 2014/2015 Financial Statements/Single Audit by Rakow, second by Ranalli.

Motion approved unanimously.

VII. APPROVE SIGNATURE FOR SUBGRANT

Buckingham explained that this item was necessary following the adoption of Resolution 15-06 as that resolution required that the Executive Director request signature authority from the Governing Board to accept funds exceeding the million dollar threshold. The request is the authority to receive the annual WIOA funds from the State of California Employment Development Department for the new program Year 2016/2017 not to exceed \$3,801,330. This estimated dollar amount 10% greater than the Subgrant agreement from Program Year 2015/16.

Motion to approve FY2016/2017 Subgrant Agreement Signature Authority by Ranalli, second by Uhler.

Motion approved unanimously.

VIII. APPROVE ADDITIONAL COST CENTER – PLACER SCHOOL FOR ADULTS PROJECT

Buckingham explained that GSJTA has been working closely with the Adult Ed Block Grant entities in the region. Placer School for Adults has asked the Agency to help them do some recruitment for internships and to help them with business engagement. Placer School for Adults does not have a position that allows them to do this kind of activity so they are essentially giving the money to GSJTA to hire someone to help them. The funding will be used to support the following activities in alignment with the goals of AB104, WIOA and the District’s Local Control and Accountability (LCAP) including:

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|--------------------------|--|
| Service integration | Regional coordination |
| Business engagement | Internship development |
| Basic career services | Employment readiness |
| Student support services | Career pathway development leading to employment |

The funding will cover the costs of one full-time equivalent serving Placer County along with other costs associated with this project in the amount of \$102,408 in the period between March 1, 2016 and June 30, 2017. Buckingham further stated that this would not only help the Placer Adult School but also the other adult schools in the consortium. In addition, it would help GSJTA bolster its own business outreach.

Motion to Approve Additional Cost Center-Placer School for Adults Project by Rakow, second by Ranalli.

Motion approved unanimously.

IX. APPROVE LOCAL WORKFORCE DEVELOPMENT BOARD (LWDB) RECERTIFICATION

Buckingham explained to the Board that this is part of the compliance that must be met with EDD Directive WSD15-16. The recertification is for Program Years 2016-2018. Program, Fiscal and Board staff have reviewed the following sections and are confident that the Agency and Board are in compliance: 1) Local Board Sustained Fiscal Integrity; and 2) Local Board Assurances. Upon approval by the Board, this will be forwarded on to the State to complete the application process.

Motion to Approve the Local Board Recertification request by Ranalli, second by Rakow.

Motion approved unanimously.

X. APPROVE SPONSORSHIP FOR SUPERVISOR MICHAEL RANALLI TO ATTEND EL DORADO STUDY MISSION

Buckingham explained that the request before the Board was to sponsor out of state travel for Supervisor Ranalli to attend the 2016 El Dorado County Chamber of Commerce Study Mission to Bend, Oregon. This type of request has been considered by the Board in the past and, considered depending on the study mission's ties to economic development or workforce development. Buckingham felt that in this case the ties to both were significant. The study mission involves agriculture and economic development which Supervisor Ranalli has a very close connection with. Finally, Buckingham informed the Board that the Agency has had some savings from the fund for board education this year so the money is available.

Ranalli stated he would recuse himself for the discussion and the vote on this item.

Motion to Approve Sponsorship for Supervisor Michael Ranalli to Attend El Dorado Study Mission by Rakow, second by Uhler.

Motion approved by roll call.

Aye: Uhler, Rakow
Nay: None
Recuse: Ranalli
Absent: None

XI. DIRECTOR'S UPDATE

Buckingham informed the Board that there is much going on in the State with regards to Workforce Development. Not just for workforce boards but also for the secondary and post-secondary system. He will be giving just the highlights of these to the Board and then if the Board Members have any questions he will be happy to answer them.

A. Day at the Capitol

Buckingham stated on March 2, 2016 he attended the "Day at the Capitol" which is the State Association's coordinated opportunity to meet/talk with legislative officials and explain what the workforce system is in California. Buckingham directed the Board's attention to two documents distributed to the Board; one from the State and one from Golden Sierra.

Over 60 representatives from the local system met with more than half the state legislature. Locally, staff met with Frank Bigelow, staff from Beth and Ted Gaines, as well as staff from Jim Nielsen's office. In addition, Buckingham met with Senate Minority Leader, Jean Fuller, as part of the leadership with CWA.

Buckingham stated that one of the things he found interesting is that in the three years he has been attending this event there has been a huge transition in the conversation from the State legislators. The conversation has gone from questioning what the workforce system does, to an understanding of exactly what services are performed by the system and how the system benefits the legislator's constituents.

B. WIOA Transition

Buckingham referenced the updated WIOA Action Matrix included in the Board agenda packet. He stated the biggest push for the Agency right now was completing Phase I of the MOUs. There are over twelve MOUs required in our area. There have been numerous meetings on MOUs, in addition to phone calls and emails; the Agency has met with everyone needed to accomplish this task. The timeline is to have everything completed by July 1, 2016. The actual worktime to finalize the MOUs is shortened as everything has to be to the Workforce Board by May for approval, and then to the Governing Board by June for final approval. He is hoping to have everything finished but explained that it is an ambitious timeline since it involves legal review from outside agencies. There is no clear direction as to what the consequences will be of not meeting the July 1 deadline. His opinion is that as long as there is a good faith effort to have the MOUs completed it is likely that only a corrective action plan will be required. The state is fully aware that the timelines are difficult to meet.

Rakow asked Buckingham who it was that was requiring the MOUs. Buckingham explained that the requirement and timeline for MOUs is part of the Federal Act. The state is trying to comply with those requirements. The state has offered some flexibility and extended the due date for resource sharing agreements beyond the federal requirement. Based on this extension, there are now actually three phases of MOUs; first the partnership language, then resource sharing agreements, and lastly after local and regional planning efforts are completed all MOUs will need to be reviewed to ensure the MOUs align with the goals stated in the submitted state plan. Rakow asked if Buckingham was expecting a MOU agreement with the Washoe Tribe. The Washoe tribe is not a required partner for the MOUs; however, working toward an MOU with the tribe as a workforce system partner is a good idea. California Indian Manpower Consortium is the required partner for the GS region for the WIOA MOUs. At this time, Golden Sierra is only working with those groups with whom a MOU is required.

C. Funding

Buckingham informed the Board that there was a great deal of money available at this time, both in the broader system and the workforce development system. The Adult Ed Block Grant groups, the Community College system where there is \$200 million and the CTE at the secondary level with \$92 million statewide. Also, the CTE program here in Placer County, CTE Works, has received a grant of \$5 million a year over a three year period. This is the second highest grant award in the State. Golden Sierra is working with that group right now on systems alignment. He commented that what was really timely about their award is that with WIA the Agency was allowed to serve both in school and out of school youth; however, with WIOA the emphasis is clearly on out of school youth. These funds properly aligned will complement the current WIOA and allow the system to serve Community College, Adult Ed and In School Youth without duplication of efforts.

The State Board has released a number of solicitations for funding which include:

- Over \$6 million for WIOA transitional activities including Regional Planning Unit, Incentive Grants and staff development initiatives.
- AB 2060 recidivism reduction
- Workforce Accelerator Grant
- Disability Employment Accelerator Grant
- Human Centered Design Grant

Most of these solicitations have a short turnaround time. Normally the agency would take advantage of all of these, but with the current work load, staff are looking at what the agency is best suited to do. Some of the grants are non-competitive but others are competitive solicitations where staff are working with partners to complete applications for funding. For instance, with the AB 2060 grant staff are working with the Placer County PREP program and SETA. For the Workforce Accelerator grant staff are working with the South Lake Tahoe AEBG consortium. The Agency has previously received disability and unemployment grants so there will be an application for that. Regarding the Human Centered Design grant staff will have to see what that the requirements are prior to submitting an application.

Buckingham explained that the Federal Government puts out their formulas that award money to the states and then the State develops their formulas to distribute that money to the local agencies. The state is scheduled to receive a six percent increase in adult funding, six percent increase in youth funding and three percent increase in dislocated worker funding. However that doesn't mean the GS region will see the same allotment as the formula depends on the demographics of the area. Staff always start out budget by planning on a five percent reduction in allocations. It is always easier to add money to a budget that overcomes a deficit. We do know that there will be a required five percent increase in the Direct Training requirement from 25 to 30 percent. This will require an increase in the spending on direct training by five percent to meet that requirement.

On the expenditure side we are nearing the end of the K5 award; awards made in 2014. Staff are working with our subcontractors to identify what funds remain and if there are funds left it will be applied to the consortium's pension liability or "side fund". The K5 funds need to be fully expended by July 1, 2016.

XII. NAWB REPORT OUT

Uhler reported that this was the first time he had attended the NAWB Conference. He was impressed with the amount of choices there were for workshops to attend. However, with all the classes available, he was surprised there was not a track for governing board members. Because of this he felt that in the future the Agency's dollars might be better spent if another staff member, or possibly a workforce board member went to NAWB instead. He suggested it might be more advantageous if in the future the Board members looked for other opportunities to engage in events geared more towards their educational needs. As an example he stated that the Board used to go to "Cap to Cap". He wondered if it would make more sense to have a Board member go there to advocate on behalf of our regional workforce issues.

Buckingham stated he appreciated Uhler's honest feedback. He also confirmed that it was a missed opportunity on the part of the NAWB planners and would pass on Uhler's concerns.

Rakow stated that she had gone the previous year and it was a good experience to learn exactly what NAWB did but she had felt somewhat the same way. She felt a bit out of place there as a Board member but did enjoy learning about the different aspects of all the programs.

XIII. CLOSED SESSION

PUBLIC EMPLOYMENT: PERFORMANCE EVALUATION
(Government Code §54957)

TITLE: EXECUTIVE DIRECTOR

Uhler called the meeting into closed session at 10:55 a.m.

Uhler called the meeting back into open session at 11:00 a.m.

Report out: Information was given from Kristianne Seargeant. Direction was given to the Governing Body to continue the item to the following meeting. There was a request to Staff to place the item on the June 1, 2016 agenda for completion of the evaluation process.

XIV. FUTURE AGENDA ITEMS/NEW BUSINESS

None

XV. NEXT MEETING: June 1, 2016 – 10:00 am – Auburn Connections

XVI. ADJOURNMENT

Meeting adjourned by Chair Uhler at 11:06 am.