

GOVERNING BODY MEMBERS

KATHERINE RAKOW, *Vice Chair*
Board of Supervisors
Alpine County

MICHAEL RANALLI, *Chair*
Board of Supervisors
El Dorado County

KIRK UHLER
Board of Supervisors
Placer County

JASON BUCKINGHAM
Executive Director

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

(530) 823-4635

GOLDEN SIERRA JOB TRAINING AGENCY

**GOVERNING BODY
REGULAR MEETING
AGENDA**

Wednesday, April 5, 2017 – 10:00 a.m.

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

- | | | |
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**GOLDEN SIERRA JOB TRAINING AGENCY
GOVERNING BODY
AND
WORKFORCE BOARD
EXECUTIVE COMMITTEE**

**JOINT REGULAR MEETING
MINUTES**

Wednesday, February 1, 2017 – 10:00 am

**El Dorado County Government Center
Conference Room A
330 Fair Lane
Placerville, CA 95667**

I. ROLL CALL AND INTRODUCTION OF GUESTS

Executive Committee was unable to secure a quorum. Meeting will be Governing Body only and no longer considered a joint meeting.

Quorum of the Governing Body was established and the meeting was called to order at 10.06 p.m. by Chair Ranalli

Present: Michael Ranalli – Chair, Kirk Uhler

Absent: Katherine Rakow – Vice Chair

Guests: Jason Buckingham, Lorna Magnussen, Carline Chavez, Michael Indiveri, Terrie Trombley, legal counsel Laura Izon by teleconference

II. APPROVAL OF AGENDA

All EC items will be stricken from minutes.

Buckingham requested the following amendment to item VI: strike the Organizational Chart, amended packet distributed in meeting.

Motion to approve amended agenda by Uhler, second by Ranalli

Motion approved unanimously

III. PUBLIC COMMENT – FOR THOSE ITEMS NOT ON THE AGENDA

None

IV. CONSENT AGENDA (GB)

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 December 05, 2016 GB meeting

Motion to approve consent agenda items A by Uhler, second by Ranalli.

Motion approved unanimously

V. CONSENT AGENDA (EC)

Stricken from agenda

VI. RESOLUTION 16-04 – JOB DESCRIPTIONS, POSITION ROSTER & ORG CHART

Org Chart was removed from agenda item as noted in amended agenda item II.

Motion to approve Resolution 16-04 job descriptions and position roster, by Uhler, second by Ranalli

Motion approved by roll call.

Aye: Uhler, Ranalli

Nay: None

Abstain: None

Absent: Rakow

VII. APPLICATION TO PROVIDE CAREER SERVICES – DIRECTIVE WSD16-14

Buckingham stated that the State's interpretation of the regulations requires the administrative entity, Golden Sierra, to submit an application in order to provide Career Services. This application requires the approval of the Workforce Board, Chief Elected Official (Governing Body) and the Governor. The Workforce Board approved the application on January 19, 2017. Once approved by Governing Body the application will be submitted to the California Workforce Development Board/Governor for final consideration and approval.

Motion to approve application to provide Career Services per directive WSD16-14 by Uhler, second by Ranalli

Motion approved unanimously

VIII. LOCAL WORKFORCE PLAN APPROVAL AND SIGNATURE (EC)

Stricken from agenda

IX. LOCAL WORKFORCE PLAN APPROVAL AND SIGNATURE (GB)

Buckingham stated that Workforce Board offered a forum for public comment on the Plan at their January 19, 2017 meeting.

At this time we are asking for the Governing Body's approval on the Plan, with the intent to secure the Executive Committee's approval (on behalf of the full WB) via a special teleconference in order to meet the March 15, 2017 due date.

Buckingham stated that in addition to the local plan another requirement of the legislation is to submit a Regional Plan. Each state has designated regions identified as Regional Planning Units (RPUs); The Sacramento region also called the Capital Region Planning Unit includes Golden Sierra, Sacramento, North Central Counties Consortium and Yolo Co. The Draft Regional Plan was distributed to board members via email.

Motion to approve Local Workforce Plan and Signature by Uhler, second by Ranalli

Motion approved unanimously

X. WDB MEMBERSHIP, RECRUITMENT AND ATTENDANCE

Buckingham noted that the intent is to keep the Governing Body informed of any membership and attendance issues related to the Workforce Board. Recruitment efforts are currently in place.

Supervisor Uhler asked if this is affecting getting things done. Buckingham replied that the impact on attendance has been mostly current members who have been unable to attend due to conflicts not due to vacancies.

XI. STATUS OF ONE-STOP OPERATOR RFQ

Buckingham said that under WIOA, Career Services and the One-Stop Operator (OSO) may be separate functions. The OSO can be designated as the Career Services provider or it can be separate. The Golden Sierra region's OSO is designed to be a neutral third party and, therefore, it is in the best interest of the system to have these functions separate.

The procurement of the OSO requires a competitive process; this process was conducted using a RFQ. Rating, recommendations and request for approval of award will be brought to the Governing Body on April 5, 2017.

XII. FUNDING RESCISSION

Buckingham commented that the agency was notified of funding rescissions equaling approximately \$10,000. The agency will absorb these reductions in program administration so that the reductions will not impact the subcontractors.

XIII. HIGH PERFORMING BOARD INCENTIVE AWARD INFORMATION NOTICES
WSIN16-27

Buckingham informed the board that the agency was granted an incentive award of \$55,000 as identified in Wsin16-27 for being a high performance board. This will be divided to the subcontractors.

XIV. BUDGET WORKSHOP AND DIRECTION

Slideshow presented by Buckingham and Trombley outlining the priority based budget process.

XV. WDB/GB DISCUSSION ON WDB DIRECTION

Buckingham discussed the Workforce Board workgroups (Training, Marketing, Business Engagement, and Best Practices & Leadership) that were developed at a recent WB retreat. This framework, also included in the local plan, was designed to align services and ultimately the system.

XVI. WIOA SERVICE PROVIDER UPDATES

Buckingham commented that partner reports to the board will be provided in the future; these reports will be similar to the provider reports.

XVII. FUTURE AGENDA ITEMS/NEW BUSINESS

Regional Plan
Executive Director's evaluation
Employee Handbook
Approval of the OSO Award
Financial Statements

XVIII. NEXT MEETING

GB – Wednesday, April 05, 2017 10:00 am– GSJTA Auburn

XIX. ADJOURNMENT

Meeting adjourned by Chair Ranalli at 10:50 am.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 5, 2017
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: Resolution 16-05 Dry Period Financing

Staff are seeking the Governing Body's approval to receive \$60,000 dollars in Dry Period Financing from the Placer County Treasurer. This funding will allow the Agency to apply for and receive non-federal awards that complement our purpose when these awards are received on a reimbursement basis (meaning expenses must be incurred in order to submit invoices to the grantor for reimbursement). Having the availability of this financing will provide flexibility and a 45 day cash cushion while awaiting reimbursement from the grantor. This will eliminate times when the Agency cash for these non-allocation awards are at a negative balance in the Placer County accounting system.

**BEFORE THE GOVERNING BODY
GOLDEN SIERRA JOB TRAINING AGENCY**

In the matter of: A resolution authorizing the
Executive Director and Chief
Fiscal Officer the authority to
apply for dry period financing
for up to \$60,000

Resolution No.: 16-05

Ordinance No.: _____

First Reading: _____

WHEREAS, during the fiscal year, Golden Sierra Job Training Agency (Agency) has opportunities to accept grant awards that enable the Agency to further offer unique types of participant career services;

WHEREAS, these grant awards require the Agency to incur expenses prior to grant reimbursement claim;

WHEREAS, during the fiscal year, Golden Sierra Job Training Agency (Agency) has opportunities to accept grant awards that enable the Agency to further offer unique types of participant career services;

WHEREAS, these grant awards require the Agency to incur expenses prior to grant reimbursement claim;

WHEREAS, these expenses cause the Agency to exceed cash availability for up to 60 days and \$60,000;

WHEREAS, the Agency requires temporary borrowing of Treasury funds for dry period financing from Placer County for up to \$60,000;

WHEREAS, the Placer County Treasurer is the Agency's Treasurer, all funds of the agency are deposited into the Placer County Treasury and the Agency keeps all its funds in the Placer County Treasury;

WHEREAS, should the Governing Body of the Agency decide to change the Agency Treasurer, any outstanding dry period financing will be due and payable prior to removing any funds from the Placer County Treasury.

WHEREAS, the reimbursement for any grant awards will be deposited in the Placer County Treasury and will be used first to repay any negative balance in the Treasury; and

WHEREAS, the Agency is required by Placer County to complete and submit to the County of Placer an application for Temporary Borrowing of Treasury Funds for Dry Financing;

GSJTA Resolution 16-05 Dry Period Financing

BE IT HEREBY RESOLVED by the Governing Body of the Golden Sierra Job Training Agency that this Body authorizes and directs the Executive Director, and Chief Fiscal Officer, to annually apply for temporary borrowing of Treasury funds for dry period financing via the Placer County Treasury procedures to support specific grants where advance funding is unavailable.

The following **Resolution 16-05** was duly passed by the Governing Body of the Golden Sierra Job Training Agency at a regular meeting held

April 5, 2017 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Michael Ranalli, Chairman, Governing Body

Attest:

Lorna Magnussen, Clerk of Golden Sierra Governing Body

**BEFORE THE GOVERNING BODY
GOLDEN SIERRA JOB TRAINING AGENCY**

In the matter of: Resolution amending the
Golden Sierra Job Training
Agency Employee Handbook

Resolution No.: 16-06

Ordinance No.: _____

First Reading: _____

The following Resolution was duly passed by the Governing
Body of the Golden Sierra Job Training Agency at a regular meeting held

April 5, 2017 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Michael Ranalli, Chairman, Governing Body

Attest:

Clerk of said Governing Body

Lorna Magnussen

BE IT HEREBY RESOLVED by the Governing Body of the Golden Sierra Job Training Agency that the Golden Sierra Job Training Agency Employee Handbook is adopted as the document that describes personnel process and practices of the Golden Sierra Job Training Agency.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 5, 2017

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: FY 2015/2016 Financial Statements/Single Audit

Attached for your review is the SAS No. 114 *Required Auditor's Communication with Those Charged with Governance* letter and the Combined Annual Financial Reports for Fiscal Year 2015/2016. The reports are the result of the annual financial audit completed by the firm Vavrinek, Trine, Day & Co, LLP.

The Combined Annual Financial Reports can be reviewed by sections:

- Independent Auditors' Report to the Governing Board
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Single Audit

There are no Financial Statement Findings to report nor are there any Federal Award Findings or Questioned Costs.



To the Governing Board
Golden Sierra Job Training Agency
Auburn, California

We have audited the financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency (Agency) for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 30, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note A to the financial statements. As described in Note A, the Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, and GASB Statement No. 82, *Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73*, effective July 1, 2015. Accordingly the cumulative effect of the accounting change as of the beginning of the year is reported in the notes to the financial statements. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Agency's financial statements were:

Management's estimates include estimates of the date of collection to comply with period of availability for certain revenues, amounts related to net pension liability, related deferred inflows of resources and deferred outflows of resources, and disclosures were based on actuarial valuations of the proportionate share of the net pension liability. We evaluated the key factors and assumptions used to develop the amounts owed to vendors and grantees in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Agency's defined benefit pension plan, net pension liability, and related deferred inflows of resources and deferred outflows of resources in Note F to the financial statements. The valuation of the net pension liability and related deferred outflows/inflows of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the investment rate of return and discount rate. As disclosed in Note F, a one percent increase or decrease in the discount rate has a material effect on the Agency's net pension liability.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 24, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, schedule of funding progress, budgetary comparison schedule, schedule of Agency's proportionate share of net pension liability, and schedule of Agency's pension contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards, which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Governing Board and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California

March 24, 2017

GOLDEN SIERRA JOB TRAINING AGENCY

Independent Auditors' Report, Basic Financial
Statements, Required Supplementary Information
and Single Audit Reports and Schedules

For the Fiscal Year Ended June 30, 2016

GOLDEN SIERRA JOB TRAINING AGENCY
For the Fiscal Year Ended June 30, 2016

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INDEPENDENT AUDITORS' REPORT

To the Governing Board
Golden Sierra Job Training Agency
Auburn, California

Report on Compliance for Each Major Federal Program

We have audited the accompanying financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency (Agency) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Agency as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note A, the Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, and GASB Statement No. 82, *Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73*, effective July 1, 2015. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress, budgetary comparison information, schedule of the proportionate share of the net pension liability, and schedule of pension contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2017, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Vavrinick, Trine, Day & Co. LLP

Sacramento, California

March 24, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2016

The following discussion and analysis of the Golden Sierra Job Training Agency's (Agency) financial performance provides an overview of the Agency's financial activities for the fiscal year ending June 30, 2016. This information is presented in conjunction with the audited financial statements and the accompanying notes that follow this section.

Financial Highlights

- The Agency was awarded \$350,000 from the State of California Employment Development Department to administer the Sector Partnership National Emergency Grant for the consortium. This grant is complemented by our primary source of funding, the Workforce Innovation Opportunity Act. The grant is scheduled to close in June of 2017.
- The Agency met its goal of meeting Direct Training Expenditure Requirement for Program Year 2015-16 expending 19% of its Adult and Dislocated Worker allocation funding directly on participant training. The total requirement for this program year was 25% and the remaining 6% was met with allowable training leveraged resources.
- As of the close of the current fiscal year the Agency's general fund reported a fund balance of \$36,050 an increase of \$13,809. This increase is representative of the Ticket to Work cash receipts from the Agency's operations as an Employment Network (EN) and prepaid expenses.
- There are two unfunded liabilities the Agency is responsible for. The unpaid accrued compensated absences in the amount of \$66,617 and the net pension liability of \$4,699,419 as of June 30, 2016. The net pension is based on actuarial assumptions as of the fiscal year end. The net pension liability will be negatively impacted in the next three years based on future reduction of the discount rate being applied to future investments and incorporated in to the assumption calculations.
- The Agency continues to prefund healthcare premiums for eligible retirees with the CalPERS California Employers' Retiree Benefit Trust (CERBT). Deposited into the trust this fiscal year was \$222,000 based on the actuarially determined annual required contribution (ARC).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2016

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Agency's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. The *statement of activities* presents information showing how the Agency's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused vacation leave).

The government-wide financial statements report on the function of the Agency that is principally supported by operating grants and contributions. The Agency's primary function is the development and implementation of public and private employers' job training programs.

The government-wide financial statements can be found on pages 10 and 11 of this report.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

General Fund

The Agency maintains one major governmental fund, the General Fund, for its governmental fund financial statements.

The General Fund is used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the Agency's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the governmental fund with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financial decisions. Both the General Fund balance sheet and statement of revenues, expenditures, and changes in fund balance to provide a reconciliation to facilitate this comparison between the General Fund and *governmental activities*. The General Fund financial statements can be found on pages 12 and 13 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2016

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 14 through 32 of this report.

Government-Wide Financial Analysis

Net position of the Agency's governmental activities may serve over time as a useful indicator of a government's financial position. In the case of the Agency, liabilities and deferred inflows exceeded assets and deferred outflows by \$3,988,974 at the close of the most recent year.

Statement of Net Position June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>Change</u>
Current assets	\$ 467,433	\$ 556,070	\$ (88,637)
Capital assets, net	5,949	7,864	(1,915)
Total assets	<u>473,382</u>	<u>563,934</u>	<u>(90,552)</u>
Deferred outflows related to pensions	<u>1,005,456</u>	<u>509,625</u>	<u>495,831</u>
Current liabilities	371,198	473,644	(102,446)
Long-term liabilities	66,617	60,780	5,837
Net pension liability	<u>4,699,419</u>	<u>3,908,523</u>	<u>790,896</u>
Total liabilities	<u>5,137,234</u>	<u>4,442,947</u>	<u>694,287</u>
Deferred inflows related to pensions	<u>330,578</u>	<u>838,844</u>	<u>(508,266)</u>
Net position			
Net investment in capital assets	5,949	7,864	(1,915)
Unrestricted (deficit)	<u>(3,994,923)</u>	<u>(4,216,096)</u>	<u>221,173</u>
Total net position	<u>\$ (3,988,974)</u>	<u>\$ (4,208,232)</u>	<u>\$ 219,258</u>

The variance of total net position is directly related to the change in the Agency's pension liability. Information about the recognition of the \$4,699,419 liability within the government-wide statements is further described in Note F beginning on page 24. The Agency is allocated its proportionate share of the CalPERS's cost sharing plan net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense. A key aspect of GASB 68 pertaining to cost-sharing employers is the establishment of an approach to allocate the net pension liability and pension expense to the individual employers within the risk pool.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016

Statement of Activities
For the Fiscal Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>Change</u>
Revenues:			
Program revenue:			
Operating grants and contributions	\$ 4,217,677	\$ 4,514,468	\$ (296,791)
General revenue:			
Investment earnings	1,937	137	1,800
Miscellaneous	18,969	26,532	(7,563)
Total revenues	<u>4,238,583</u>	<u>4,541,137</u>	<u>(302,554)</u>
Expenses:			
Education	<u>4,019,325</u>	<u>4,365,013</u>	<u>(345,688)</u>
Change in net position	219,258	176,124	43,134
Net position, beginning of year, as restated	<u>(4,208,232)</u>	<u>(4,384,356)</u>	<u>176,124</u>
Net position, end of year	<u>\$ (3,988,974)</u>	<u>\$ (4,208,232)</u>	<u>\$ 219,258</u>

The Agency's primary sources of revenues are Federally-funded governmental grants classified as "operating grants and contributions." This revenue represents reimbursement of the Agency's costs, resulting in a direct relationship between expenses and revenue. Revenues decreased by (\$302,554) primarily due to the decrease in recurring allocation awards from the Employment Development Department. The decrease in expenses of (\$345,688) is also due to the decrease in recurring allocation awards, with the additional decrease being related to the netting of the changes to compensated absences, pension deferred outflows and deferred inflows, pension expense and depreciation of capital assets.

Fund Financial Analysis

The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency's General Fund is discussed below.

GENERAL FUND

The focus of the Agency's General Fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, *fund balance* may serve as a useful measure of the Agency's net resources available for spending for program purposes at the end of the year. As of the end of the current year, the Agency's General Fund reported an ending fund balance of \$36,050.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2016

Revenues by Source Analysis

Revenues by Source General Fund For the Years Ended June 30, 2016 and 2015

	2016	2015	Change	%
Federal	\$ 4,199,288	\$ 4,427,838	\$ (228,550)	-5%
State	18,389	86,630	(68,241)	100%
Investment earnings	1,937	137	1,800	1314%
Miscellaneous	18,969	26,532	(7,563)	100%
Total revenues	<u>\$ 4,238,583</u>	<u>\$ 4,541,137</u>	<u>\$ (302,554)</u>	-7%

Federal revenue decreased during the fiscal year primarily due to the reduction in allocation funding being awarded to the Agency. State funding was the continuation of the State of California sponsored project, *Proposition 39 – 2.0 Pre-Apprenticeship Support, Training and Placement Grant* which began in Fiscal Year 2014/2015. Miscellaneous funding represents receipts to the Agency from the Social Security Administration for active participants registered in the Ticket to Work Program.

Expenditure by Function Analysis

Expenditures by Function General Fund For the Years Ended June 30, 2016 and 2015

	2016	2015	Change	%
Salaries and employee benefits	\$ 2,252,469	\$ 2,206,980	\$ 45,489	2%
Training and support services	1,493,671	1,783,392	(289,721)	-16%
Services and supplies	304,441	361,269	(56,828)	-16%
Rents	174,193	164,870	9,323	6%
Total expenditures	<u>\$ 4,224,774</u>	<u>\$ 4,516,511</u>	<u>\$ (291,737)</u>	-6%

During the fiscal year ended June 30, 2016, expenditures decreased proportionately with funding awarded to the Agency. Salaries and employee benefits change from the prior fiscal year is the result of additional monies being expended by the Agency to reduce the pension liability in the amount of \$50,000. Training and support services expenditures decreased due to lesser award amounts and the use of state defined allowable leverage to meet training requirements. Expenditures represent the delivery of services to participants in the form of direct training, case management and job search services. Expenditures also include job development activities with employers and Agency administrative expenses for operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2016

Analysis of General Fund Budget

As presented on page 34 the schedule of revenues, expenditures and change in general fund balance budget to actual, demonstrates significant variances from the final budget to the actual amounts. The annual budget is prepared on a GAAP basis where revenues and expenditures are recognized when they are measurable and available. The variances are primarily attributable to the following items for fiscal year ending June 30, 2016.

- The Agency's annual budget is presented with all available awards budgeted. At June 30, 2016 the Agency had \$1,970,881 dollars unreimbursed due to funds not being expended. This fiscal year was the first full year for implementing the requirements imposed under the Workforce Innovation Opportunity Act (WIOA). The Employment Development Department our grantor lifted funds utilization requirements for the first year of the WIOA award which is demonstrated here by the large variance between budget to actual in revenues and expenditures.
- Training and support services shows \$1,984,200 in unexpended dollars, of which \$150,161 have been placed into contracts for Program Administration and Participant Training services that have not been fully expended as of fiscal year end. Salaries and employee benefits are over budget due to an additional payment of \$50,000 to be applied to the Agency's pension liability. Actual rents increased over the planned budget due to expenses for hosting employer outreach events.
- All budget categories are carrying a portion of unexpended non-allocation grant awards.

Capital Assets

Golden Sierra's net investment in capital assets as of June 30, 2016 was \$5,949. This investment in capital assets represents depreciable equipment for the Agency in the Auburn Administrative Office. The change in capital assets during the current year was due to depreciation.

Long-Term Liabilities

Long-term liabilities relate to vacation and floating holiday balances for the Agency's employees. The Agency's liability as of June 30, 2016 was \$66,617. The balance increased by \$5,837 during the current year. The increase is due to delayed use of accrued compensated leave.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2016

Economic Factors and Next Year's Budgets and Rates

The following are primary factors considered while preparing the Agency's budget for Fiscal Year 2016/2017:

- Fiscal Year 2016/2017 will be the second year for transitioning and implementing the requirements of the Workforce Investment Opportunity Act (WIOA). As required by WIOA the Agency is coordinating the establishment of memorandums of understanding with required partners for delivering services within the consortiums Comprehensive One-Stop delivery system. The model used to develop the Agency's annual budget was the Priority Based Budget model. Cost Centers are provided financial resources based on purpose for expenditure.
- The Agency applied for and was awarded three awards outside of the recurring allocation awards. Round two of the *Proposition 39 Pre Apprenticeship Support, Training and Placement Grant* in the amount of \$104,670, the *Disability Employment Accelerator Grant* for \$150,000 and AB2060 Supervised Population Workforce Training Grant for \$294,416. All three awards are targeted to distinct needs found in the overall population served by the Agency. Focused outreach efforts and individualized career services will be some of the means incorporated to meet these grants objectives.
- The Agency is maintaining the strategy of utilizing 10% allowable Administrative funding and 20% Program funding in the second year of the award period.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Golden Sierra Job Training Agency, Attention: Jason Buckingham, Director, 1919 Grass Valley Hwy, Suite 100, Auburn, California 95603.

BASIC FINANCIAL STATEMENTS

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Net Position - Governmental Activities
June 30, 2016

Assets

Cash and investments	\$ 246,851
Due from other governments	154,087
Prepaid expenses	6,310
Net OPEB asset	60,185
Capital assets, net	<u>5,949</u>
 Total assets	 <u>473,382</u>

Deferred Outflows of Resources

Deferred outflows related to pension	1,005,456
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Liabilities

Accounts payable	262,347
Salaries and wages payable	77,672
Unearned revenue	31,179
Long-term liabilities:	
Due within one year	56,624
Due in more than one year	9,993
Net pension liability	<u>4,699,419</u>
 Total liabilities	 <u>5,137,234</u>

Deferred Inflows of Resources

Deferred inflows related to pension	<u>330,578</u>
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Net Position

Net investment in capital assets	5,949
Unrestricted	<u>(3,994,923)</u>
 Total net position (deficit)	 <u><u>\$ (3,988,974)</u></u>

See accompanying notes to the basic financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2016

Program expenses	
Education	\$ 4,019,325
Program revenues	
Operating grants and contributions:	
Federal	4,199,288
State	18,389
Total program revenues	<u>4,217,677</u>
Net program revenues	<u>198,352</u>
General revenues	
Investment earnings	1,937
Miscellaneous	<u>18,969</u>
Total general revenues	<u>20,906</u>
Change in net position	219,258
Net position (deficit), beginning of year, as restated	<u>(4,208,232)</u>
Net position (deficit), end of year	<u><u>\$ (3,988,974)</u></u>

See accompanying notes to the basic financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY

Balance Sheet - General Fund

June 30, 2016

Assets

Cash and investments	\$ 246,851
Due from other governments	154,087
Prepaid items	<u>6,310</u>
Total assets	<u><u>\$ 407,248</u></u>

Liabilities and Fund Balance

Liabilities:

Accounts payable	\$ 262,347
Salaries and wages payable	77,672
Unearned revenue	<u>31,179</u>
Total liabilities	<u>371,198</u>

Fund balance:

Nonspendable for prepaid items	6,310
Unassigned	<u>29,740</u>
Total fund balance	<u>36,050</u>
Total liabilities and fund balance	<u><u>\$ 407,248</u></u>

**RECONCILIATION OF THE BALANCE SHEET -
GENERAL FUND TO THE STATEMENT OF NET POSITION:**

Fund balance - from above	\$ 36,050
Net OPEB asset of the governmental activities is not a current financial resource and, therefore, is not reported in the general fund.	60,185
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the general fund.	5,949
Deferred outflows of resources - contributions to the pension plan subsequent to the measurement date of the net pension liability and before the end of the reporting period, differences in proportion and differences between expected and actual experience are reported as a deferred outflows of resources related to pensions.	1,005,456
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the general fund:	
Compensated absences	(66,617)
Net pension liability	(4,699,419)
Deferred inflows of resources - are deferred and amortized	
Net difference between projected and actual earnings on pension plan investments and changes of assumptions.	<u>(330,578)</u>
Net position of governmental activities	<u><u>\$ (3,988,974)</u></u>

See accompanying notes to the basic financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Revenues, Expenditures and
Change in Fund Balance - General Fund
For the Fiscal Year Ended June 30, 2016

Revenues

Intergovernmental:	
Federal	\$ 4,199,288
State	18,389
Investment earnings	1,937
Miscellaneous	<u>18,969</u>
 Total revenues	 <u>4,238,583</u>

Expenditures

Current:	
Education:	
Salaries and employee benefits	2,252,469
Training and support services	1,493,671
Services and supplies	304,441
Rents	<u>174,193</u>
 Total expenditures	 <u>4,224,774</u>

Change in fund balance	13,809
 Fund balance, beginning of year	 <u>22,241</u>
Fund balance, end of year	<u><u>\$ 36,050</u></u>

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCE -
GENERAL FUND TO THE STATEMENT OF ACTIVITIES:**

Change in fund balance from above	\$ 13,809
 The general fund records capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.	 (1,915)
 Some expenses reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the general fund:	
Change in compensated absences	(5,837)
Change in net pension liability	<u>213,201</u>
 CHANGE IN NET POSITION	 <u><u>\$ 219,258</u></u>

See accompanying notes to the basic financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Golden Sierra Job Training Agency (Agency) was formed by a Joint Powers Agreement among the following counties: Alpine, El Dorado, and Placer. The purpose of the Agency is the development and implementation of public and private employers' job training programs under which local employment needs and goals are determined and training and employment programs are planned, developed, and administered. The Agency is funded through various grants provided by the federal government. The Governing Body is made up of one representative from each County's governing Board of Supervisors.

Accounting Policies

The Agency accounts for its financial transactions in accordance with the policies and procedures of the County of Placer (County). The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the Agency's activities. The Agency is only engaged in governmental activities and is supported primarily by intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Agency's program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of its education function. Investment earnings and miscellaneous revenues not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the Agency's governmental fund. The General Fund is the general operating fund of the Agency and is used to account for all of the Agency's financial resources.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The General Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current accounting period. Revenues are considered to be available if they are collected within 60 days of the end of the current year. Expenditures are generally recognized when the related fund liability is incurred (when goods are received or services rendered). However, expenditures related to compensated absences are recorded only when payment is due.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash and Investments

The Agency maintains cash in banks and in the Placer County Treasury where it is pooled with other County funds. The County Treasurer's investment pool is subject to oversight by the Treasury Oversight Committee.

The County's pooled investments are stated at fair value. The value of the Agency's pool shares that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Agency's position in the pool. The County's comprehensive annual financial report, containing information relating to the County's cash and investments by risk category, can be obtained from the County Auditor-Controller's office.

Prepaid Items

Payments made for services that will benefit future accounting periods are recorded as prepaid items. Prepaid items, as reported in the governmental funds balance sheet, are offset by a nonspendable fund balance account to indicate such amounts are not in spendable form. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Unearned Revenue

Unearned revenue arises when resources are received by the Agency before it has a legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures).

Capital Assets

Capital assets used in Agency operations are accounted for in the statement of net position. Purchased capital assets are stated at cost. Donated capital assets are valued at their estimated acquisition value on the date of donation. The Agency follows the County's capitalization threshold of \$3,000 for capital asset purchases. Capital equipment is depreciated using the straight-line method over an estimated useful life of 5 years. Capitalized building improvements are being depreciated over the life of the lease agreement, which is 5 years.

Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an expense/expenditure until then. Employer pension contributions made subsequent to the measurement period, differences between expected and actual experience, and changes in proportion are recorded as deferred outflows of resources.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

The statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents the net difference between projected and actual earnings on pension plan investments and changes in assumptions.

Pensions

For purposes of measuring the net pension liability and deferred inflows/outflows of resources related to pensions, and pensions expense, information about the fiduciary net position of the Agency's cost-sharing multiple-employer defined benefit pension plan participating in the California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Agency in the statement of net position. All regular employees of the Agency earn vacation hours each pay period at rates based upon the years of continuous service and the bargaining unit to which the employee belongs.

The compensated absences liability is calculated based on the number of vacation hours and floating holiday hours accrued times the employee's hourly rate of pay while estimating related employer paid taxed. Employees with less than 10 years of service may accrue up to a maximum of 240 hours of unused vacation and for employees with 10 or more years of service the cap is 360 hours. Regular employees are given credit for eight hours sick leave each month of employment with no limits on the number of hours that may be accumulated. Upon termination, employees are entitled to a lump sum payment for accrued vacation and additional retirement credits from the California Public Employees' Retirement System (CalPERS) for unused sick leave based on a specified formula.

Net Position

The government-wide financial statements utilize a net position presentation. Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. The Agency's net position is categorized as net investment in capital assets and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation of these assets reduces the balance in this category. Debt incurred and outstanding to construct and/or acquire capital assets, net of unspent proceeds, also reduces the balance in this category.

Unrestricted – This category represents net position of the Agency, not restricted for any project or other purpose.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Fund Balance

In the fund financial statements, the governmental fund reports fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the Agency is bound to honor constraints on how specific amounts can be spent.

Nonspendable fund balance – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – represents amounts that can only be used for specific purpose pursuant to constraints imposed by a formal action of the entity's "highest level of decision-making authority" which would be a resolution by the Agency's Governing Board.

Assigned fund balance – amounts that are constrained by the Agency's *intent* to be used for specific purposes. The intent can be established at the highest level of decision making (Board of Trustees).

Unassigned fund balance – amounts that constitute the residual balances that have no restrictions placed on them.

The Agency does not have a policy on the order of spending of unrestricted amounts when an expenditure is incurred for which amount in any of the unassigned fund balance classifications could be used.

However, the Agency uses committed resources first, then assigned resources, and unassigned resources last as they are needed.

Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Fair Value Measurement

As of July 1, 2015, The Agency retrospectively applied Governmental Accounting Standards Board (“GASB”) Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The Agency categorizes the fair value measurements of its investments based on the hierarchy established by generally provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The Agency categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Agency does not have any investments that are measured using Level 3 inputs.

The Agency is a participant in the Placer County Treasurer’s Pool (County Pool). The County Pool is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (SEC). The Placer County Treasurer's Review Panel conducts County Pool oversight. Cash on deposit in the County Pool at June 30, 2016, is stated at fair value. The County Pool values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end.

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 72 – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. This 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. This statement also provides guidance for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This statement is effective for periods beginning after June 15, 2015. The Agency implemented this standard as of July 1, 2015.

GASB Statement No. 73 – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. The objective of this statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement No. 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement No. 68, for pension plans and pensions that are within their respective scopes. This statement is effective for periods beginning after June 15, 2016. For the applicable provisions effective this year the Agency has implemented this standard.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements (continued)

GASB Statement No. 76 – In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to identify in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). This statement is effective for periods beginning after June 15, 2015. The Agency has implemented this standard as of July 1, 2015.

GASB Statement No. 79 – In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The requirements of this statement are effective for reporting periods beginning after June 15, 2015. The Agency has determined this statement to be not applicable..

GASB Statement No. 82 – In March 2016, GASB issued Statement No. 82, *Pension Issues-An Amendment of GASB Statements No. 67, No. 68 and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice or financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The Agency early implemented this standard as of July 1, 2015.

Future Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This statement is effective for periods beginning after June 15, 2016. The Agency has not determined the effect, if any, on the financial statements.

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement is effective for periods beginning after June 15, 2017. The Agency has not determined the effect, if any, on the financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Future Governmental Accounting Standards Board (GASB) Pronouncements (continued)

GASB Statement No. 77 – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. This statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The requirements of this statement are effective for reporting periods beginning after December 15, 2015. The Agency has not determined the effect, if any, on the financial statements.

GASB Statement No. 78 – In December 2015, GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This statement is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state of local governmental employers whose employees are provided with such pensions. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The Agency has not determined the effect, if any on the financial statements.

GASB Statement No. 80 – In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units*—an amendment of GASB Statement No. 14. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The Agency has not determined the effect, if any, on the financial statements.

GASB Statement No. 81 – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016. The Agency has not determined the effect, if any, on the financial statements.

GASB Statement No. 83 – In November 2016 GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2018. The Agency has not determined the effect, if any, on the financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Future Governmental Accounting Standards Board (GASB) Pronouncements (continued)

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2018. The Agency has not determined the effect, if any, on the financial statements.

NOTE B – CASH AND INVESTMENTS

Cash and investments shown on the statement of net position and the balance sheet represent the Agency's share of the County Treasurer's cash and investment pool.

The Agency involuntarily participates in the County Treasurer's cash and investment pool. California Government Code Section 53600, et. seq., and the County investment policy authorizes the following investments; U.S. Treasury securities, U.S. agency securities, local agency bonds, bankers acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, corporate notes, collateralized certificates of deposit, California Local Agency Investment Fund (LAIF), CDARS certificates of deposit and Supranational. Other allowable investments pursuant to Government Code Section 53601, although restricted by the County's investment policy, include mutual funds, mortgage and collateral-backed securities, asset-backed securities, reverse repurchase agreements, and joint powers agency investment pools.

The County has a Treasury Review Panel, which performs regulatory oversight for its pool as required by Treasurer Policy. Investments are stated at fair value in accordance with generally accepted accounting principles. However, the value of the Agency's shares in the County investment pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the Agency's position in the pool. The County's comprehensive annual financial report, containing information relating to the County's cash and investments by risk category, can be obtained from the County Auditor-Controller's office.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*, requires additional disclosures about a government's deposit and investment risks that include credit risk, custodial credit risk, concentration of credit risk and interest rate risk. The Agency does not have an investment policy that addresses these specific types of risk.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. The weighted average to maturity of the County's external investment pool as of June 30, 2016 was 1,426 days

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Agency's investment in the County investment pool is not rated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of the failure of a depository institution, the Agency will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (i.e. broker-dealer) to a transaction, the Agency will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Fair Value Measurement

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Agency's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Deposits and withdrawals from the County Pool are made on the basis of \$1 and not fair value. Accordingly, the Agency's proportionate share of cash and investments in the County Pool at June 30, 2016 of \$246,851 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE C – CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2016 were as follows:

	Balance			Balance
	July 1, 2015	Additions	Deletions	June 30, 2016
Building and Improvements	\$ 159,431	\$ -	\$ -	\$ 159,431
Furniture and equipment	35,635	-	-	35,635
Less accumulated depreciation	(187,202)	(1,917)	-	(189,119)
Total capital assets, net	<u>\$ 7,864</u>	<u>\$ (1,917)</u>	<u>\$ -</u>	<u>\$ 5,947</u>

NOTE D – LONG-TERM LIABILITIES

Changes in long-term liabilities for the fiscal year ended June 30, 2016 are presented below:

	Balance			Balance	Due Within
	July 1, 2015	Additions	Deletions	June 30, 2016	One Year
Compensated absences	<u>\$ 60,780</u>	<u>\$ 5,837</u>	<u>\$ -</u>	<u>\$ 66,617</u>	<u>\$ 9,993</u>

NOTE E – COMMITMENTS AND CONTINGENCIES

Federal and State Allowances, Awards, and Grants

The Agency has received federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement would not be material to the Agency's financial position.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE F – PENSION PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pool. The Agency sponsors two rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment and the retirement formula of 2.5% at 55 for existing "Miscellaneous Classic" members and 2.0% at 62 for "PEPRA Miscellaneous Tier" existing members and all future members. The cost of living adjustments for each plan are applied as specified by PERL.

The rate provisions and benefits in effect as of June 30, 2016 are summarized as follows:

	Miscellaneous Classic Rate Plan	PEPRA Miscellaneous Rate Plan
	Hired on or before	Hired on or after
Hire Date	December 31, 2012	January 1, 2013
Benefit formula	2.5% at 55	2.0% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52-67
Monthly benefits, as a % of eligible compensation	1.43% - 2.50%	1.0% - 2.0%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE F – PENSION PLAN (CONTINUED)

Contributions (continued)

plans covered by the Miscellaneous risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employees under the Miscellaneous Classic and PEPRA Miscellaneous Rate plans are required to contribute 8% and 6.25% of their annual pay, respectively. The Agency's contractually required contribution rates for the year ended June 30, 2016, for the Miscellaneous Classic and PEPRA Miscellaneous Tier, were 9.671%, and 6.237%, respectively, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Agency's contributions to the pension plan were \$531,222 for the year ended June 30, 2016, including an additional amount of \$50,000, towards the Agency's unfunded liability.

Pensions Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2016, the Agency reported a liability of \$4,699,419 for its proportionate share of the net pension liability. The net pension liability of the Plan was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. The Agency's proportion of the net pension liabilities was based on a projection of the Agency's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the Agency's proportion was 0.0685%, an increase of 0.0056% from the June 30, 2014 measurement date.

For the year ended June 30, 2016, the Agency recognized pension expense of \$318,021. At June 30, 2016, the Agency reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 23,274	\$ -
Changes of Assumptions	-	220,193
Net difference between projected and actual earnings on pension plan investments	-	110,385
Changes in proportion and differences between Agency contributions and proportionate share of contributions	450,960	-
Contributions subsequent to measurement date	531,222	-
	<u>\$ 1,005,456</u>	<u>\$ 330,578</u>

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE F – PENSION PLAN (CONTINUED)

Pensions Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

The amount of \$531,222 reported as the Agency's deferred outflows of resources related to pension contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Year Ended June 30</u>	<u>Amount</u>
2017	\$ 69,064
2018	65,743
2019	36,446
2020	<u>(27,597)</u>
	<u>\$ 143,656</u>

Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Services
Investment Rate of Return	7.65% Net of Pension Plan Investment and Administrative Expenses: includes Inflation
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for All Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

¹ The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increases, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE F – PENSION PLAN (CONTINUED)

Actuarial Assumptions (continued)

Change of Assumptions

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of 1%.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Target Allocation	Long-term expected real rate of return	
		Real Return	Real Return
		Years 1 - 10 ¹	Years 11+ ²
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
	<u>100.0%</u>		

¹ An expected inflation of 2.5% used for this period

² An expected inflation of 3.0% used for this period

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE F – PENSION PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.65%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested the plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Agency's proportionate share of the net pension liability, calculated using the discount rate of 7.65%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.65%) or 1 percentage point higher (8.65%) than the current rate.

	<u>Agency's Proportionate Share of the Net Pension Liability</u>
Discount Rate - 1%	6.65%
Net Pension Liability	\$ 7,881,253
Current Discount Rate	7.65%
Net Pension Liability	4,699,419
Discount Rate + 1%	8.65%
Net Pension Liability	2,072,445

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE G – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to the retirement benefits described in Note F, the Agency sponsors a single-employer defined benefit plan to provide postemployment medical and dental benefits to its retirees under its Retiree Healthcare Plan in accordance with various labor agreements through the CalPERS healthcare program (PEMHCA). During the fiscal year ended June 30, 2010, the Agency established a postemployment benefits (OPEB) trust account with the California Employers' Retiree Benefit Trust (CERBT), an agent multiple employer plan administered by CalPERS. CalPERS issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplementary information. Copies of CalPERS' annual financial report may be obtained from their Executive Office, 400 Q Street, P.O. Box 942701, Sacramento, California 94229.

Eligibility

In accordance with the California Government Code, all employees electing a CalPERS retirement date within 120 days of retiring from the Agency are eligible to receive healthcare benefits for life. The Agency provides postemployment medical and dental benefits to employees who retire directly from the Agency after the age of 50 and have accumulated a minimum of five years of CalPERS service. Membership of the plan consisted of the following at June 30, 2015, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	31
Active plan members	<u>19</u>
Total	<u>50</u>

Funding Policy

The Agency's actuarially determined contribution rate was 20.2% of annual covered payroll. It is the Agency's funding policy to contribute consistently 100% of the annual required contribution (ARC). The Agency contributes to CERBT net of pay-as-you-go costs and does not seek reimbursement.

Annual OPEB Cost and Net OPEB Asset

For the fiscal year ended June 30, 2016, the Agency's annual OPEB cost (expense) was \$222,000. The required contribution was determined as part of the June 30, 2015 actuarial valuation in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The following table shows the components of the Agency's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Agency's net OPEB asset:

Annual required contribution	\$ 222,000
Interest on net OPEB asset	(4)
Adjustment to annual required contribution	4
Annual OPEB cost (expense)	<u>222,000</u>
Contributions made	<u>222,000</u>
Increase in net OPEB asset	-
Net OPEB asset - beginning of year	<u>60,185</u>
Net OPEB asset - end of year	<u><u>\$ 60,185</u></u>

The Agency's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset as of and for the fiscal year ended June 30, 2015 and the two preceding years were as follows:

Ended	OPEB Cost	Contributed	Net OPEB Asset
6/30/14	\$ 216,000	103.71%	\$ 52,008
6/30/15	222,000	103.95%	60,185
6/30/16	222,000	100.00%	60,185

Funded Status and Progress

As of June 30, 2015, the most recent valuation date, the plan was under funded. The actuarial accrued liability (AAL) for benefits was \$2,424,000 and the actuarial value of assets was \$977,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,447,000 and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 40.3%. The covered payroll (annual payroll of active employees covered by the plan) was \$1,068,000, and the ratio of the UAAL to the covered payroll was 135.5%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, currently presents the three most recent actuarial valuations. However, in future years as additional valuations are completed, it will present multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions include a 6% investment rate of return, which is the assumed rate of the expected long-term investment returns on plan assets calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of approximately 8% for 2015, reduced by decrements of approximately 0.5% per year to an ultimate rate of 5% in 2021. Both rates included a 3% inflation assumption and assumed the Agency's payroll will increase 3.25% per year. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over 30 years.

NOTE H – RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency reports all of its risk management activities in the General Fund. The Agency purchases commercial insurance through an insurance agent, which obtains the appropriate insurance coverage needed by the Agency from insurance companies.

The Agency's deductibles and maximum coverage follow:

<u>Coverage</u>	<u>Deductible</u>	<u>Maximum per Occurrence</u>
Commercial and professional general liability – aggregate	\$ 500	\$ 2,000,000
Each occurrence	500	2,000,000
Advertising and personal injury	500	2,000,000
Workers' compensation	NA	1,000,000
Medical expenses	500	5,000
Fire	500	100,000
Commercial automobile	500	1,000,000

Settled claims have not exceeded insurance coverage and there have been no significant reductions in insurance coverage in any of the past three years.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

NOTE I – OPERATING LEASE OBLIGATIONS

The Agency leases office space under a five year non-cancellable operating lease agreement and an eight year sublease agreement, which is non-cancellable in the first three years. Total lease payments for the fiscal year ended June 30, 2016 were \$171,967. Future minimum lease payments are scheduled as follows:

Year Ending June 30	Total Minimum Payments
2017	171,196
2018	84,192
Total	<u>\$ 255,388</u>

REQUIRED SUPPLEMENTARY INFORMATION

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Funding Progress – Other Postemployment Benefits Plan
For the Fiscal Year Ended June 30, 2016

Actuarial Valuation Date	Normal Actuarial Accrued Liability (a)	Actuarial Value of Assets (b)	Unfunded Liability (a)-(b)	Funded Ratio (b)/(a)	Annual Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a % of Covered Payroll [(a)-(b)]/(c)
06/30/11	\$ 3,132,000	\$ 253,000	\$ 2,879,000	8.1%	\$ 983,000	292.9%
06/30/13	2,348,000	562,000	1,786,000	23.9%	1,036,000	172.4%
06/30/15	2,424,000	977,000	1,447,000	40.3%	1,068,000	135.5%

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Revenues, Expenditures and Change in Fund Balance –
Budget and Actual – General Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Revenues:				
Intergovernmental:				
Federal	\$ 6,170,169	\$ 6,170,169	\$ 4,199,288	\$ (1,970,881)
State	16,652	16,652	18,389	1,737
Investment earnings	-	-	1,937	1,937
Miscellaneous	-	-	18,969	18,969
Total revenues	<u>6,186,821</u>	<u>6,186,821</u>	<u>4,238,583</u>	<u>(1,948,238)</u>
Expenditures:				
Current:				
Education:				
Salaries and employee benefits	2,165,600	2,165,600	2,252,469	(86,869)
Training and support services	3,477,871	3,477,871	1,493,671	1,984,200
Services and supplies	374,860	374,860	304,441	70,419
Rents	168,490	168,490	174,193	(5,703)
Total expenditures	<u>6,186,821</u>	<u>6,186,821</u>	<u>4,224,774</u>	<u>1,962,047</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	13,809	<u>\$ 13,809</u>
Fund balance, beginning of year			<u>22,241</u>	
Fund balance, end of year			<u>\$ 36,050</u>	

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of the Agency's Proportionate Share of the Net Pension Liability
Last Ten Years *

	2016	2015
Agency's proportion of the net pension liability	0.0685%	0.0629%
Agency's proportionate share of the net pension liability	\$ 4,699,419	\$ 3,908,523
Agency's covered payroll	\$ 1,149,967	\$ 1,207,175
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	408.66%	323.77%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	78.40%	79.82%
Measurement Date	6/30/2015	6/30/2014

* - Fiscal year 2015 was the first year of implementation, therefore, only two years are shown.

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of the Agency's Pension Contributions
Last Ten Years*

	2016	2015
Actuarially determined contributions	\$ 481,222	\$ 393,772
Contributions in relation to the actuarially determined contribution	531,222	463,123
Contribution deficiency (excess)	<u>\$ (50,000)</u>	<u>\$ (69,351)</u>
Covered payroll	\$ 1,130,884	\$ 1,149,967
Contributions as a percentage of covered payroll	46.97%	40.27%

* - Fiscal year 2015 was the first year of implementation, therefore, only two years are shown.

GOLDEN SIERRA JOB TRAINING AGENCY
Note to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

Budgets and Budgetary Accounting

The Agency's Governing Body approves the job-training plan by July 1st of each year. A public hearing must be conducted to receive comments prior to adoption. This job-training plan, including the annual budget, is revised by the Agency's Governing Body and management during the year to give consideration to unanticipated revenues and expenditures. The original and final revised budgets are presented in the budgetary comparison schedule as required supplementary information to the financial statements.

Formal budgetary integration was employed as a management control device during the year for the General Fund. Expenditures cannot exceed appropriations by total expenditures.

Encumbrance accounting is used in the General Fund to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when approved. Encumbrances are liquidated when the commitments are paid.

The Agency budgets its capital outlay expenditures as part of its services and supplies expenditures.

SINGLE AUDIT SECTION



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
Golden Sierra Job Training Agency
Auburn, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency (Agency) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 24, 2017. Our report includes an emphasis of matter paragraph regarding the City's adoption of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, and GASB Statement No. 82, *Pension Issues-An Amendment of GASB Statements No. 67, No. 68, and No. 73*, effective July 1, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
March 24, 2017



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE**

To the Board of Supervisors
Golden Sierra Job Training Agency
Sacramento, California

Report on Compliance for Each Major Federal Program

We have audited the Golden Sierra Job Training Agency's (Agency) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2016. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Vavrinick, Trine, Day & Co. LLP

Sacramento, California
March 24, 2017

**GOLDEN SIERRA JOB TRAINING AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Grantor Pass-Through Grantor Program Title or Cluster Title	Federal CFDA Number	Pass-through Entity Identification Number	Federal Expenditures	Passed-through to Subrecipients
U.S. Department of Labor				
<u>Passed through California Employment Development Department</u>				
Employment Service/Wagner-Peyser Funded Activities	17.207	K285805	\$ 345	\$ -
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	K698360	75,027	-
Workforce Investment Act (WIA)/Workforce Innovation Opportunity Act (WIOA)				
(WIA/WIOA Cluster):				
WIA Adult Program	17.258	K594759	522,235	137,205
WIA Adult Program Disability Employment Accelerator	17.258	K594759	126,872	-
WIOA Adult Program	17.258	K698360	630,383	55,549
Total WIA/WIOA Adult Program			1,279,490	192,754
WIA Youth Activities	17.259	K594759	449,077	214,645
WIOA Youth Activities	17.259	K594759	582,650	33,720
Total WIA/WIOA Youth Activities			1,031,727	248,365
WIA Dislocated Worker Formula Grants	17.278	K594759	912,792	152,747
WIOA Dislocated Worker Formula Grants	17.278	K594759	906,792	14,480
Total WIA/WIOA Dislocated Worker Formula Grants			1,819,584	167,227
Total WIA/WIOA Cluster			4,130,801	608,346
Total Expenditures of Federal Awards			\$ 4,206,173	\$ 608,346

See accompanying notes to Schedule of Expenditures of Federal Awards.

**GOLDEN SIERRA JOB TRAINING AGENCY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal activity of the Golden Sierra Job Training Agency (Agency) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental funds and the accrual basis for proprietary funds. Such expenditures are recognized following the cost principles continued in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award revenues are reported principally in the Agency's financial statements as program revenues in the General fund.

NOTE 4 - PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the Agency has determined that no identifying number is assigned for the program or the Agency was unable to obtain an identifying number from the pass-through entity.

NOTE 5 - INDIRECT COST RATE

The Agency has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

See accompanying notes to Schedule of Expenditures of Federal Awards.

**GOLDEN SIERRA JOB TRAINING AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of report auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major federal programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None reported</u>
Type of auditors' report issued on compliance for major federal programs:	<u>Unmodified</u>

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>No</u>
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Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.258, 17.259, and 17.278	WIA/WIOA Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**GOLDEN SIERRA JOB TRAINING AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

II. FINANCIAL STATEMENT FINDINGS

None Reported.

**GOLDEN SIERRA JOB TRAINING AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported.

**GOLDEN SIERRA JOB TRAINING AGENCY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

None Reported

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 5, 2017
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJ: FY 2017/2018 Subgrant Agreement Signature Authority

Staff has requested the Governing Board authorize signature authority for the Executive Director to sign the New Program Year 2017/2018 Subgrant agreements not to exceed \$3,594,764. This dollar amount is an estimate and 10% greater than the information provided by the Employment Development Department on Information Notice WSIN16-37. The current estimated award is scheduled to be \$3,267,968 for Program Year 2017/2018.

Background: The State of California's Employment Development Department (EDD) acts as the Agency's pass thru for the annual Workforce Innovation and Opportunity Act (WIOA) funds. The policies and procedures for this agreement require immediate action from our office. Execution of the agreement and submittal back to the EDD office ensures the newly awarded funds will be made available timely.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 5, 2017
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: Roseville Consolidation

Staff are seeking to discuss the approval to finalize a lease agreement that moves the administrative office staff to the same building as the Roseville Comprehensive America's Job Center of California (AJCC).

As the members may recall, the Auburn AJCC was closed in July of 2016 as a result of reduced funding and staffing demands. However, the Administrative staff remained in that location. The move relocates the Administrative staff with Program staff reducing space and results in better workplace efficiencies but does come with a cost.

The Tenant improvements are estimated at \$121,000. As negotiated, the landlord will assume 44.5% of these costs or \$54,000; the remaining \$67,000 will be amortized at 0% interest into the lease term. In addition to these costs there will be other costs associated with the move that are estimated at between \$10,000 and \$15,000.

With decreasing allocation, increasing pension costs and pending bargaining unit negotiations Staff wish to ensure that the members are fully informed prior to executing the lease.

GOLDEN SIERRA GOVERNING BODY

MEMORANDUM

DATE: April 5, 2017

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: Career & Technical Education Incentive Grant (CTEIG)
Summer Internship

Staff are requesting the Governing Body's approval to allow Golden Sierra Job Training Agency's to be the employer of record for Placer County Office of Education (PCOE) instructors to facilitate a summer internship program.

These positions would be based upon a current job description and salary schedule that have been approved by PCOE Superintendent.

- [Regional Occupational Program \(ROP\) Instructor](#)
- [Certified Salary Schedule](#)

The duration of the employment would be 6-8 weeks and considered non-benefited extra help employees; these positions would be excluded from both Golden Sierra and PCOE bargaining units.

- 3 instructors @ approximately 32 hours each

PCOE will be defining the exact pay scale based on the approved salary schedule and will pay Golden Sierra a negotiated administrative fee to administer being the employer of record.

A detailed budget and request to appropriate funds will be submitted to the Governing Body on June 7, 2017.

These positions are a part of a construction pathways sector partnership between Lennar homes, the North State Building Industry Association (NSBIA), Golden Sierra and PCOE. This component allows approx. 25 students to receive wages and credits during their participation in a work based learning project.

GOLDEN SIERRA GOVERNING BODY

MEMORANDUM

DATE: April 5, 2017

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: 2017-2020 WIOA Regional Plan

Before the Governing Body for review and approval is the required WIOA Regional Plan for the period of 2017-2020. The request includes allowing Golden Sierra Job Training Agency (GSJTA) staff to make adjustments to the plan, as necessary, in order to ensure that the plan meets state requirements. The Workforce Board approved this on March 16, 2017.

[WIOA Regional Plan with Exhibits](#)

Sacramento Employment & Training Agency (SETA), on behalf of the Capital Area Regional Planning Unit, has made the plan publicly available and open for comment for the required 30 day period. SETA will submit the Regional Plan by the March 15, 2017 deadline without the required signatures as allowed by EDD Directive WSD16-17.

Agency staff will secure the required signatures from both the Workforce Board and Governing Body, and forward to SETA for final submission.

The plan's ultimate goal is to support economic prosperity and income mobility. This will be completed through aligning the regional plan objectives in support of sector strategies that enhance WIOA outcomes, and will assist the state in meeting its planned goals of 1 million industry valued credentials and doubling the number of apprenticeships statewide over the next 10 years. It does this by adopting the state policy framework which includes:

Three policy objectives:

1. Demand Driven Skills Attainment
2. Enabling upward mobility, and
3. Aligning, coordinating and integrating programs and services

Seven strategies:

1. sector strategies
2. career pathways
3. organizing regionally
4. earn and learn models
5. supportive services
6. building cross system data capacity
7. integrating services and braiding resources

And two primary goals:

1. Producing a million “Middle Skill” industry valued and recognized postsecondary credentials
2. Doubling the number of apprenticeships statewide (between the years of 2017 and 2027)

Outcomes:

The WIOA Core partners, through local and regional efforts, will assist the state in meeting its two aspirational goals through meeting the WIOA required measures which include for Adults and Dislocated Workers:

- Entered Employment
- Employment Retention
- Median Earnings
- Credentials
- Measurable Skills Gain

And, for youth:

- Placement in employment, training or education
- Retention in employment, training or education
- Median earnings
- Credentials
- Measurable Skills Gain

There is also a to be determined business measure or measures

GOLDEN SIERRA GOVERNING BODY

MEMORANDUM

DATE: April 5, 2017
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: One-Stop Operator RFQ results and recommendations

Staff are asking the Governing Body to approve the following competitively procured WIOA Title I One-Stop Operator for the Golden Sierra Consortium. The Workforce Board approved this award on March 16, 2017.

Please find outline below regarding procurement process:

RFI released: October 24, 2016
RFI closed: November 7, 2016
Responses: None

RFQ released: January 1, 2017
RFQ Bidders conference: January 5, 2017 [2 bidders present]
RFQ closed: January 21, 2017
Responses: One

Responses & rating

Responder: Michael Indiveri, workforce consultant

Estimated annual budget: \$16,340

Response was rated by 2 outside agencies; rating required 80% or above to be considered.

Rating Results:
- Rater #1: 80%
- Rater #2: 94%

This procurement would be considered a sole source procurement due to limited number of response during the RFI and RFQ process.

All procurement was conducted in accordance with OMB 200 CFR 200.318-200.326, and sole source 200.320(f); 20 CFR 678.600, 678.605(d), 678.610(b) and 678.635, and TEGL 15-16.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 5, 2017
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: CTE Memorandum of Understanding (MOU) signature authority

Before the Governing Body for approval is the request to grant signature authority to the board chair for Phase I Memorandum of Understandings (MOUs) for Career & Technical Education (CTE) – Carls D. Perkins partners in the region. These MOUs were initially omitted in Phase I by the State in error. Signature authority for the Workforce Board was approved at their March 16, 2017 meeting.

Career & Technical Education (CTE):

- Sierra College – included in packet
- Los Rios Community College - pending
- Lake Tahoe Community College - pending

**MEMORANDUM OF UNDERSTANDING
FOR THE
GOLDEN SIERRA WORKFORCE DEVELOPMENT AREA
2016**

I. Preamble/Purpose of MOU

Under the Workforce Innovation and Opportunity Act (WIOA), Placer, El Dorado and Alpine Counties, including the incorporated cities within these boundaries, have been designated as the Golden Sierra Local Workforce Development Area (GSLWDA). The Golden Sierra Job Training Agency Governing Board (Governing Board) has been designated as the Chief Elected Official (CEO) of the GSLWDA. The Golden Sierra Workforce Development Board (GSWDB) has been certified as the Local Workforce Development Board (Local Board) for the GSLWDA. The WIOA requires that each Local Board, with the agreement of the CEO, develop and enter into a Memorandum of Understanding (MOU) with specified One Stop Partners (Partner or Partners) – entities that operate the following programs or activities within the GSLWDA:

- WIOA Title I Adult, Dislocated Worker, and Youth
- WIOA Title II Adult Education and Literacy
- WIOA Title III Wagner-Peyser
- WIOA Title IV Vocational Rehabilitation
- Carl Perkins Career Technical Education
- Title V Older Americans Act
- Job Corps
- Native American Programs (Section 166)
- Migrant Seasonal Farmworkers (Section 167)
- Veterans
- Youth Build
- Trade Adjustment Assistance Act
- Community Services Block Grant
- Housing & Urban Development
- Unemployment Compensation
- Second Chance
- Temporary Assistance for Needy Families/CalWORKs

The name of each Partner entity, name of representative(s) and contact information are included in Attachment A, which is incorporated herein by reference.

The State of California Employment Development Department has established the “America’s Job Center of California” (AJCC) system as the mechanism for delivering WIOA services within local areas, including the GSLWDA. The State of California has developed a Workforce Development Strategic Plan (State Plan) to provide for a locally-driven one stop system to develop partnerships that will provide programs and services to achieve the following three main policy objectives set forth in the State Plan:

- 1 Foster demand-driven skills attainment
- 2 Enable upward mobility for all Californians
- 3 Align, coordinate, and integrate programs and services

In turn, the GSWDB has adopted a Local Plan that further refines the objectives for the GSLWDA to implement the AJCC system within the GSLWDA to meet the following local area policy objectives:

1. **Goal 1:** Meet the workforce needs of high demand sectors of the state and regional economies.
2. **Goal 2:** Increase the number of Californians who obtain a marketable and industry-recognized credential or degree, with a special emphasis on unemployed, underemployed, low-skill, low income, veterans, disabled individuals and other at-risk populations.
3. **Goal 3:** Support system alignment, service integration and continuous improvement using data to support “evidence-based” policy making.

With the agreement of the Governing Board, this MOU outlines the understanding between the GSWDB and the WIOA Partners concerning the operations of the AJCC in the GSLWDA. This MOU is intended to establish a cooperative working relationship between the GSWDB and the Partners and define their respective roles and responsibilities in achieving the policy objectives set forth in the State Plan and the Local Plan as they are implemented under WIOA. This MOU will also establish the framework to be used in the GSLWDA to provide services to employers, employees, job seekers and others seeking workforce services under the newly-implemented WIOA and the AJCC system.

These State and local policy objectives will be met by ensuring access to a high-quality AJCC that provides a full range of services available in the GSLWDA for all customers seeking the following:

- *Looking to find a job.*
- *Building basic educational or occupational skills.*
- *Earning a postsecondary certificate or degree.*
- *Obtaining guidance on how to make career choices.*
- *Seeking to identify and hire skilled workers.*

II. **Local/Regional Vision Statement, Mission Statement, and Goals**

The Vision, Mission and Goals for the Golden Sierra Workforce Development Area align with the State's plan and policy objectives.

Vision: A fully integrated workforce system that capitalizes on the expertise of industry and workforce partners to continuously meet the needs of business, and facilitate pathways to success for students, workers and job seekers.

Mission: The Golden Sierra Workforce Board convenes industry leaders and key partners to identify workforce initiatives, create innovative solutions, and measure the success of systems' ability to meet industry needs.

III. **Parties to the MOU.**

This MOU is entered into by GSWDB (subject to the agreement of the Governing Board) and each Partner whose signature appears on a signature page of this MOU. This MOU may be executed by any Partner in any number of counterparts, but all counterparts shall be considered one MOU. Upon execution of any counterpart by a Partner, the GSWDB shall provide an executed copy of the counterpart to every Partner who is or becomes a party to this MOU. By executing a counterpart, each Partner to the MOU acknowledges that this MOU accurately reflects such Partner's understanding and authorization to distribute a copy of such executed counterpart to the Governing Board, GSWDB and any other Partner signatory to this MOU.

IV. **One-Stop System, Services.** The GSLWDA's One-Stop System is a network of One-Stop Partners and Service Providers who coordinate and connect education, training, workforce development and related services to job seekers and businesses throughout the region.

The specific services provided by each One-Stop Partner will be identified on Attachment B, which reflects each Partner's service location(s), services provided, contact person and contact method (i.e., co-location, electronic, etc.) to ensure "direct access" to services. Attachment B includes a map showing all Partners' service locations and a chart showing all Partners' career services with contact person/information for "direct access" purposes. As new Partners execute the MOU, Attachment B will be updated by GSWDB and circulated to the Governing Board and the other signatory Partners, along with the signature page of the new Partner.

V. **Responsibility of AJCC Partners.** Each Partner signatory to this MOU agrees to:

- Participate in joint planning, plan development, and modification of activities to accomplish the following:
 - Continuous Partnership building.
 - Continuous planning in response to state and federal requirements.
 - Responsiveness to local and economic conditions, including employer needs.

- Adherence to common data collection and reporting needs.
- Make the service(s) applicable to the Partner program available to customers through the one-stop delivery system.
- Participate in the operation of the one-stop system, consistent with the terms of the MOU and requirements of authorized laws.
- Participate in capacity building and staff development activities in order to ensure that all Partners and staff are adequately cross-trained.

VI. **Funding of Services and Operating Costs.** Each Partner signatory to this MOU agrees to negotiate with GSWDB and implement a cost/resource sharing plan by December 31, 2017. Upon execution, the Cost/Resource Sharing Agreement shall be appended to this MOU as Attachment C and incorporated herein. All relevant parties to this MOU agree to share in the operating costs of the AJCC **system**, either in cash or through in-kind services/resources. The cost of services, operating costs, and infrastructure costs of the AJCC will be funded by all AJCC Partners through a separately negotiated cost/resource sharing agreement based on an equitable and agreed upon formula or plan. All Partners will ensure that the shared costs are supported by accurate data, the shared costs are consistently applied over time, and the methodology used in determining the shared costs is reflected in the Cost/Resource Sharing Agreement set forth in Attachment C to this MOU.

Except as provided in Attachment C, this MOU is neither a fiscal nor funds obligation document. Any activities involving reimbursement or contribution of funds between the Parties of this MOU will be handled in accordance with applicable laws, regulation, and procedures. Such activities will be documented in separate agreements, with specific projects between the parties spelled out. The separate agreements will reference this MOU.

This MOU defines in general terms the basis on which the Parties will cooperate, and as such, does not constitute a financial obligation to serve as a basis for expenditures. Expenditures of funds, human resources, equipment, supplies, facilities, training, public information, and expertise will be provided by each signatory to the extent that their participation is required and resources are available.

This MOU in no way restricts the Parties from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

This MOU does not obligate the Parties to enter into any agreements, contracts, or other obligations.

Nothing in this MOU may be construed to obligate the Parties, the State of California, or the United States to any current or future expenditure of resources in advance of the availability of appropriations from Congress. Nor does this agreement obligate the

Parties, the State of California, or the United States to spend funds on any particular project or purpose, even if funds are available.

VII. **Methods for Referring Customers.** Each Partner agrees to mutually implement processes for the referral/connection of customers to services not provided on-site.

The referral/connection process will:

- Ensure that intake and referral/connection processes are customer-centered and provided by staff trained in customer service.
- Ensure that general information regarding AJCC programs, services, activities and resources shall be made available to all customers as appropriate.
- Describe how customer referrals/connections are made electronically, through traditional correspondence, verbally or through other means determined in cooperation with Partners and operators.
- Describe how each AJCC Partner will provide access to other AJCC Partner staff and career services that can provide meaningful information or service, through the use of co-location, cross training of AJCC staff, or real-time technology (two way communication and interaction with AJCC Partners which results in services needed by the customer).

VIII. **Access to Services for Workers, Youth and Individuals with Barriers to Employment.**

The AJCC system will ensure access for workers, youth and individuals with barriers to employment by:

- Offering priority for services to recipients of public assistance, other low-income individuals, individuals who are basic skills deficient, and (consistent with WIOA and GSJTA's policy on priority of service) other individuals with barriers to employment, when providing individualized career services and training services with WIOA adult funds.

Each Partner agrees to ensure that the policies and procedures as well as the programs and services provided at the AJCC are operated in compliance with the Americans with Disabilities Act of 1990 and its amendments. Additionally, Partners agree to fully comply with the provisions of WIOA, Title VII of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, 29 CFR Part 37 and all other regulations implementing the aforementioned laws.

IX. **Shared Technology and System Security.** To the extent allowed by federal and state laws and regulations, the parties agree to share data and technology as well to ensure that all data and systems are secure.

WIOA emphasizes technology as a critical tool for making all aspects of information exchange possible, including client tracking, common case management, reporting, and data collection.

To support the use of technology, and to the extent allowable, each Partner agrees to:

- *Comply with the applicable provisions of WIOA, the California Welfare and Institutions Code, California Education Code, Federal Rehabilitation Act, and any other appropriate statutes or requirements.*
- *The principles of common reporting and shared information through electronic mechanisms, including shared technology.*
- *Commit to share information to the greatest extent allowable under their governing legislation and confidentiality requirements.*
- *Maintain all records of the AJCC customers or Partners (e.g. applications, eligibility and referral records, or any other individual records related to services provided under this MOU) in the strictest confidence, and use them solely for purposes directly related to such services.*
- *Develop technological enhancements that allow interfaces of common information needs, as appropriate.*
- *Understand that system security provisions shall be agreed upon by all Partners.*

X. **Confidentiality.** Each Partner agrees to comply with the provisions of WIOA as well as the applicable sections of the California Welfare and Institutions Code, the California Education Code, the Federal Rehabilitation Act, and any other appropriate statute or requirement to assure the following:

- *All applications and individual records related to services provided under this MOU, including eligibility for services and enrollment and referral, shall be confidential and*
- *Shall not be open to examination for any purpose not directly connected with the delivery of such services.*
- *No person will publish, disclose use, or permit, cause to be published, disclosed or used, any confidential information pertaining to AJCC applicants, participants, or customers overall unless a specific release is voluntarily signed by the participant or customer.*
- *Each Partner agrees to abide by the current confidentiality provisions of the respective statutes to which AJCC operators and other Partners must adhere, and shall share information necessary for the administration of the program as allowed under law and regulation. Each Partner, therefore, agrees to share client information necessary for the provision of services such as assessment, universal intake, program or training referral, job development or placement activities, and other services as needed for employment or program support purposes.*
- *Client information shall be shared solely for the purpose of enrollment, referral or provision of services. In carrying out their respective responsibilities, each party shall respect and abide by the confidentiality policies of the other parties.*

- XI. **Non-Discrimination and Equal Opportunity.** No Partner shall unlawfully discriminate, harass or allow harassment against any employee, applicant for employment or AJCC applicant for service due to gender, race, color, ancestry, religion, national origin, veteran status, physical disability, mental disability, medical condition(s), age, sexual orientation or marital status. Each Partner agrees to comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990, et. seq.) and related applicable regulations.

Each Partner will assure compliance with the Americans with Disabilities Act of 1990 and its amendments, which prohibits discrimination on the basis of disability, as well as other applicable regulations and guidelines issued pursuant to the Americans with Disabilities Act.

- XII. **Grievances and Complaints Procedure.** Each Partner agrees to establish and maintain a procedure for grievances and complaints as outlined in WIOA. The process for handling grievances and complaints is applicable to customers and Partners. These procedures will allow the customer or entity filing the complaint to exhaust every administrative level in receiving a fair and complete hearing and resolution of their grievance. The Partner further agrees to communicate openly and directly to resolve any problems or disputes related to the provision of services in a cooperative manner and at the lowest level of intervention possible.

The parties agree to try to resolve policy or practice disputes at the lowest level, starting with the site supervisor(s) and staff. If issues cannot be resolved at this level, they shall be referred to the management staff of the respective staff employer and the operator, for discussion and resolution. Conflicts that may arise regarding the interpretation of the clauses of this MOU will be resolved by the Governing Board, and that decision will be considered final and not subject to further appeal or to review by any outside court or other tribunal.

- XIII. **Effective Dates and Term of MOU.** This MOU shall be binding upon each party hereto upon execution by such party. The term of this MOU shall be three years, commencing on the date of execution by the first three parties July 1, 2016 to June 30, 2019. The MOU will be reviewed not less than once every year to identify any substantial changes that have occurred or should occur.

- XIV. **Modifications and Revisions.** This MOU constitutes the entire agreement between the parties and no oral understanding not incorporated herein shall be binding on any of the parties hereto. This MOU may be renegotiated, amended, or modified at any time by mutual agreement of all the Parties. Any such amendment or modification shall be in writing and agreed to by all Parties.

- XV. **Term and Termination.** The parties understand that implementation of the AJCC system is dependent on the good faith effort of every Partner to work together to improve services to the community. The parties also agree that this is a project where different ways of working together and providing services are being tried. This MOU shall remain in effect for a period of three (3) years from the Effective Date. This MOU may be terminated by any Party by providing written notice and explanation to the other Parties at least 30 calendar days in advance of the effective date of termination. The termination of this MOU shall not affect the validity or duration of activities or agreements under this MOU that are initiated prior to such termination or that are continued by the remaining Parties.
- XVI. **Renewal.** This MOU may be renewed for additional periods of 3 years, by mutual written consent of the Parties.
- XVII. **License for Use.** During the term of this MOU, all Partners to this MOU shall have a license to use space of the AJCCs for the sole purpose of conducting acceptable AJCC services as outlined herein.
- XVIII. **Supervision/Day to Day Operations.** The day-to-day supervision of staff assigned to the AJCCs will be the responsibility of the site supervisor(s). The original employer of staff assigned to the AJCCs will continue to set the priorities of its staff. Any change in work assignments or any problems at the worksite will be handled by the site supervisor(s) and the management of the original employer.

The office hours for the staff at the AJCCs will be established by the site supervisor(s) and the primary employer. All staff will comply with the holiday schedule of their primary employer and will provide a copy of their holiday schedule to the operator and host agency at the beginning of each fiscal year.

Disciplinary actions may result in removal of co-located staff from the AJCCs and each party will take appropriate action.

Each party shall be solely liable and responsible for providing to, or on behalf of, its employee(s), all legally-required employee benefits. In addition, each party shall be solely responsive and save all other parties harmless from all matters relating to payment of each party's employee(s), including compliance with social security withholding, workers' compensation, and all other regulations governing such matters.

- XIX. **Press Releases and Communications.** All parties shall be included when communicating with the press, television, radio or any other form of media regarding its duties or performance under this MOU. Participation of each party in press/media presentations will be determined by each party's public relations policies. Unless otherwise directed by the other parties, in all communications, each party shall make specific reference to all other parties.

The parties agree to utilize the AJCC logo developed by the State of California and the Local Board on buildings identified for AJCC usage and on letterhead, envelopes, business cards, any written correspondence and fax transmittals in accordance with state branding guidance.

XX. **Personal Property.** Title to any personal property, such as computers, computer equipment, office supplies, and office equipment furnished by a Party to the AJCC under this MOU shall remain with the Party furnishing the property. All parties agree to exercise due care in handling such property. However, each party agrees to be responsible for any damage to its property which occurs in the performance of its duties under this MOU, and to waive any claim against any other Party for such damage, whether arising through negligence or otherwise.

XXI. **Liability and Risk of Loss.**

- a. To the extent permitted by law, with regard to activities undertaken pursuant to this MOU, none of the parties to this MOU shall make any claim against one another or their respective instrumentalities, agents or employees for any injury to or death of its own employees, or for damage to or loss of its own property, whether such injury, death, damage or loss arises through negligence or otherwise.
- b. To the extent permitted by law, if a risk of damage or loss is not dealt with expressly in this MOU, such party's liability to another party, whether or not arising as the result of alleged breach of the MOU, shall be limited to direct damages only and shall not include loss of revenue or profits or other indirect or consequential damages.

XXII. **Hold Harmless/Indemnification/Liability.** In accordance with provisions of Section 895.4 of the California Government Code, each party hereby agrees to indemnify, defend and hold harmless all other parties identified in this MOU from and against any and all claims, demands, damages and costs arising out of or resulting from any acts or omissions which arise from the performance of the obligations by such indemnifying party pursuant to this MOU. In addition, except for Departments of the State of California which cannot provide for indemnification of court costs and attorney's fees under the indemnification policy of the State of California, all other parties to this MOU agree to indemnify, defend and hold harmless each other from and against all court costs and attorney's fees arising out of or resulting from any acts or omissions which arise from the performance of the obligations by such indemnifying party pursuant to this MOU. It is understood and agreed that all indemnity provided herein shall survive the termination of this MOU.

Signatories

**GOLDEN SIERRA JOB TRAINING AGENCY
GOVERNING BOARD**

By: _____
Its: Chairperson

Dated: _____

**GOLDEN SIERRA
WORKFORCE DEVELOPMENT BOARD**

By: _____
Its: Chairperson

Dated: _____

SIERRA JOINT COMMUNITY COLLEGE DISTRICT

By: Chris Yatooma
Its: Vice President of Administrative Services

Dated: 1/11/2017

ATTACHEMENT A

Golden Sierra Workforce Development Board Partner, Higher Education – Sierra College

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 5, 2017
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: Removal for Cause

On March 16, 2017, the Workforce Board members took action to make the recommendation to the Governing Body for the removal of board member Kevin Ferreira due to absences in excess of Workforce Board Bylaws 3.50.

3.50 REMOVAL FOR CAUSE

Any member may be removed from the WDB for cause if a majority of the WDB recommends such action at a legally constituted meeting, and this action is approved by the Governing Body.

“Cause” shall be defined as a determination by the WDB that the member is unable to effectively represent the categorical seat to which he/she is appointed. Absence at three (3) consecutive regular meetings shall result in that position being declared vacant by the WDB, and will result in automatic recommendation for removal.

Staff are seeking the Governing Body's approval for the removal effective April 5, 2017.

SlingShot – Capital Region: Supporting Entrepreneurship and Small Business

SlingShot will strengthen the ecosystem of resources for entrepreneurs, small businesses, and start-up companies, in order to help them grow jobs, and will increase income mobility in the Capital Region.

What is SlingShot?

SlingShot is an initiative of the California Workforce Development Board (CWDB) to encourage and support regional partnerships across the state to engage in new collective actions that can “move the needle” on workforce challenges.

After an extensive planning and review process, SlingShot implementation began in August 2016, and has created an innovation fund of \$750,000 to provide grant and contract funding to organizations supporting the ecosystem for entrepreneurs, start-ups, and small businesses.

How were the innovation funds distributed?

The \$750,000 innovation fund addresses three priorities-- business mentorships, maker space/incubators, and a web-based e-resource database. A total of 17 proposals were evaluated by an evaluation team made up of employers, content experts, and local WDB leaders. The evaluation team ensured the investments were distributed across the 9-county region and represented several industries.

Business Mentorship Award Winners

Applicant	Workforce Development Area	Amount Requested	# to be served	Cost per Customer	Funding Recommendation
Sac Metro Chamber (SBDC)	Capital Region	\$147,170	1,000	\$147	\$125,000
California Capital	Sacramento	\$100,000	100	\$1,000	\$100,000
TOTAL					\$225,000

Sacramento Metro Chamber SBDC Will educate entrepreneurs and provide them with the resources they need to start or grow their business, resulting in job growth and economic prosperity for our region. The SBDC has a proven model and a track record of business mentorship through consulting and coaching in 1) business creation, 2) how to develop a path to success, 3) how to accelerate the growth of a business, and 4) how to avoid failure. SBDC will mentor 1,000 entrepreneurs on how to accelerate their business growth and track economic metrics.

California Capital Small Business Mentorship program focuses on traditionally underserved and underperforming communities, mainly targeting minorities, women, and veteran-owned small businesses and entrepreneurs. Conduct 4 industry-specific Mentorship Matchmaking events. Small business owners and entrepreneurs will be paired with a more experienced and successful business-owners or CEOs. In addition, California Capital will leverage small business development services to connect mentorship clients with technical assistance, training, and counseling.



Maker Space/ Incubator Award Winners

Applicant	Workforce Development Area	Amount Requested	# to be served	Cost per Customer	Funding Recommendation
Hacker Lab	Sacramento/ Golden Sierra	\$147,710	200	\$739	\$125,000
CSUS- University Enterprises	Sacramento	\$99,998	550	\$182	\$82,498
Glenn County	North Central Counties	\$100,000	20	\$5,000	\$100,000
Center for Land Based Learning	Yolo	\$91,844	20	\$4,592	\$91,844
Agtech Innovation Alliance	Yolo	\$94,984	440	\$216	\$75,658
TOTAL					\$475,000

Hacker Lab Will Strengthen the network of makerspaces and ecosystem partners within the 9 county-region; develop and pilot a new makerspace model that engages nontraditional and underserved populations as makers and entrepreneurs and accelerate their ability to form new micro-enterprises and achieve financial stability; leverage ecosystem partnerships and resources to serve the region; and document the project as a state and national model for replication (materials and process are open-source and replicable).

CSUS- University Enterprises The Center for Entrepreneurship at Sacramento State will create new venture incubator service; transform current incubator location into a shared workspace; provide startup support such as marketing research, product/service development, financial literacy training, small business contract training, networking with local entrepreneurial community, etc.; and develop educational platforms be open to students and the public.

Glenn County Will expand and enhance services available through the current Business Services office and provide Glenn County residents with a fully equipped maker space/incubator for entrepreneurs as part of business success and support center.

Center for Land Based Learning Will expand and grow the California Farm Academy (CFA) farm business incubator program. The program provides support services and physical resources to establish farm startups in a low-risk environment. Helps farmers access and serve larger and/or better paying markets, achieve profitability sooner, and farmer network support. Training workshops and courses are also built into the program.

Agtech Innovation Alliance Will fully outfit the Woodland based agtech incubator with appropriate office equipment; assist 20 new agtech start-ups with direct connection to 20 regional farms for design and testing of their agtech innovations; graduate at least four start-ups in one year, grown and stabilized at the AIA AgStart program; convene four quarterly group meetings for farmers and agtech entrepreneurs, design and implement four "business basics" education modules for start-up companies; create one large Agtech Showcase event promoting program; and cultivate a professional mentorship network of 30 individuals who are available and willing to offer up to 10 hours of on-on-one mentorship over 12-month period.

E-Resource Database Award Winner

Applicant	Workforce Development Area	Amount Requested	# to be served	Cost per Customer	Funding Recommendation
Sacramento.io Joint Venture	Capital Region	\$50,000-\$75,000	N/A	N/A	\$50,000
TOTAL					\$50,000

The Sacramento.io Joint Venture Will create, host, maintain, and promote a database and web application that will serve as a searchable resource tool for business startups and entrepreneurs throughout the Capital Region. Three partnering entities include I/O Labs Foundation, Code for Sacramento, and Fullstacks Labs.

GOLDEN SIERRA WORKFORCE BOARD

SERVICE PROVIDER REPORT

Report Period: Jan 1, 2017-Feb 28, 2017

Prepared By: Alpine (RL)

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Enrollments	1 new youth enrollment and 1 adult enrollment
<input type="checkbox"/>	New ITA Contracts	N/A
<input type="checkbox"/>	New OJT Contracts	N/A
<input type="checkbox"/>	New WEX Contracts	N/A
<input checked="" type="checkbox"/>	Total One-Stop Visitors	30 total One-Stop Visitors
<input checked="" type="checkbox"/>	Unique One-Stop Visitors	7 new One-Stop visitors

PROGRAM UPDATES

Youth Working with youth clients on providing post-secondary degree information, enrolling one new youth into the WIOA program and outreach to several other youth in the community to discuss the WIOA program

Adult Development of job readiness curriculum, assistance with resume' and cover letter presentation and job search assistance. Informing adult job seekers of hiring events

Dislocated Worker N/A

Prop 39 N/A

Disability Employment Accelerator (Advance) N/A

National Emergency Grant (SP-NEG) N/A

EVENT PARTICIPATION

<u>Date</u>	<u>Event Name</u>	<u>Outcomes</u>
2/6/2017	Podcast Review of CWA Today- Lessons from the 2017 Youth at Work Conference	Accessing resources for working with youth on career readiness skill building
2/14/2017	Wonderlic Soft Skills Training Bootcamp	Informing customers of top ten skills employers value most, badging information
2/7/2017	CalJOBS Version 17 Webinar	Learning about CalJOBS system updates and new right to work documentation requirements
1/24/17	CalNew Conference	Case Management skill building, serving Veteran and military involved clients and their families

NOTEABLE OUTCOMES

Labor Exchange Services Working with ServProand other employers to promote hiring events, outreach to casino HR managers

Business Engagement Participation with Alpine County Chamber of Commerce and Tahoe Chamber of Commerce-attending Business Expo in Tahoe on March 31, 2017

Partner Engagement Continued partnership with ADVANCE, Alpine County Behavioral Health services for client referrals, Alpine County school district

Service Delivery Strategies Customers are receiving guided assistance in development of computer skill building to access online account to EDD and other agency assistance for ease of access to pertinent client information, new development of job readiness curriculum to implement into existing workshop series

WIOA Transition The Alpine County One-Stop is reviewing all new WIOA directives, attending webinars and trainings to ensure compliance with laws and regulations

GOLDEN SIERRA WORKFORCE BOARD

SERVICE PROVIDER REPORT

Report Period: January and February 2017
 Prepared By: El Dorado (JW)

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Enrollments	9
<input checked="" type="checkbox"/>	New ITA Contracts	9- Occupations include; Truck Driving, Esthetician, Commercial Electrician and Adobe-MS Certification
<input type="checkbox"/>	New OJT Contracts	0
<input type="checkbox"/>	New WEX Contracts	0
<input checked="" type="checkbox"/>	Total One-Stop Visitors	1207
<input checked="" type="checkbox"/>	Unique One-Stop Visitors	53 - from Survey Monkey

PROGRAM UPDATES

Youth Currently working with El Dorado County Office of Education re. developing a Summer Youth program targeted to serving Foster Youth, plans are coming together re. coordinating various funding streams. Also attend monthly Foster Care - Transition to College and Career Task Force (TCCTF). We reached out to Whole Person learning and received a terrific basic training re. Neurolinguistic Programming as strategy for enhanced communication with all people. We are currently serving one client through Whole Person learning.

We also coordinate with the Workability Coordinator for the El Dorado Union High School District and coordinate transition services, where appropriate, with Department of Rehabilitation. We continue to reach into the Alternative High School that are located on each high school campuses, in order to let High School seniors know about WIOA services. W

Adult We continue to reach out to our adults through our One Stop, referrals through our Advance Collaborative in SLT, Department of Rehabilitation and our Welfare to Work Partners as well as periodic advertising.

Dislocated Worker We have expended our K7 budget.

Prop 39 N/A

Disability Employment Accelerator (Advance) N/A

National Emergency Grant (SP-NEG) N/A

EVENT PARTICIPATION

<u>Date</u>	<u>Event Name</u>	<u>Outcomes</u>
1/9/17	US Forest Service	For all of the following events attendance will be provided in the Business Services Report provided by Golden Sierra. El Dorado staff assisted in the organization, set up and development of the events.
1/12/17	US Forest Service	
1/19/17	Franchise State Tax Board	
1/24/17	Wollberg Michelson Hiring Event	
2/8/17	Visiting Angels	4
2/16/17	Red Hawk Casino	See above
2/28/17	Servpro/SLT	3 - 1 person had a follow-up interview
2/28/17	Transition Night for Workability Parents/ El Dorado High School	20 people in attendance

NOTEABLE OUTCOMES

Labor Exchange Services Recruitment Events: See List above

Business Engagement 1) January 4, 2017 and February 1, 2017, on-going participation with El Dorado County Chamber Leadership Group. The February meeting involved participating in a presentation with the County CAO Economic and Development team and HHSA Welfare to Work(WTW) subsidized employment staff regarding services available to businesses in the county, 2) presented information to the Community Economic Development Advisory Council (CEDAC) on 1/19/17, 3) Met with El Dorado Hill's and El Dorado County Chamber CEOs, to discuss the development of Chamber Resource Center Fliers to promote locations where local business can receive services to enhance their business, 4) Bi-monthly participation with the Economic Development Council that functions as the HHSA WIOA advisory group.

Partner Engagement 1) Developing a solid collaborative relationship with DOR in South Lake Tahoe. Currently working to co-enroll and co-fund a client, 2) On-going relationship with DOR in Placerville. DOR staff continue to offer weekly information sessions to the public who may be interested in DOR services; 2) Working with El Dorado County Office of Education re. developing a Summer Youth program targeted to serving Foster Youth, Plans are coming together. Also attend monthly Foster Care - Transition to College and Career Task Force (TCCTF) meetings, 3) On-going meetings with the Advance Collaborative in South Lake Tahoe.

Service Delivery Strategies

WIOA Transition 1) January 25, 2017, attended the regularly scheduled Golden Sierra Technical Assistance consortium staff meeting. Reviewed and discussed changes in CalJOBS, new federal and state of California directives. Excellent staff discussions about the correct application of changes/clarifications and how they apply to our work. next meeting Scheduled in March. On going communication with Golden Sierra regarding program issues as they come up to insure compliance with state and federal directives as interpreted by Golden Sierra and the WDB.

GOLDEN SIERRA WORKFORCE BOARD

SERVICE PROVIDER REPORT

Report Period: 01/01/17 – 02/28/17

Prepared By: Placer County (DG)

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Enrollments	30
<input checked="" type="checkbox"/>	New ITA Contracts	16 (Class A, MS Office Specialist, Nutrition Therapy, 6Σ, Security, Electrician)
<input checked="" type="checkbox"/>	New OJT Contracts	6 (Legal Assistant, Machinist, Contract Specialist, Office Coordinator)
<input checked="" type="checkbox"/>	New WEX Contracts	4 (Customer Service, Medical Assistant, Office Assistant, Engineering Intern)
<input checked="" type="checkbox"/>	Total One-Stop Visitors	Roseville Connections: Jan @ 650 + Feb @ 692 = 1,342
<input type="checkbox"/>	Unique One-Stop Visitors	Unable to collect via CalJOBS

PROGRAM UPDATES

Youth The case managers are focused on work-based learning placements with local small businesses willing to train and supervise individuals with limited experience.

Adult The case managers have obligated the majority of 16/17 training funds. A waitlist has been established to determine if additional participants can be served. Priority will go to veterans and eligible spouses.

Dislocated Worker Due to the recent downsizings in the information technology industry we have helped a number of displaced workers earn their 6Σ Black Belt in order to secure high paying Project Management positions.

Disability Employment Accelerator (Advance) Round 1 has ended. We met or exceeded all 5 performance measures. Submitted end of project report. Round 2 outreach efforts are strong and enrollments are increasing.

National Emergency Grant (SP-NEG) Total OJT placements = 14/20 (70% of goal). 10 Professional development workshops were conducted to assist with employment retention.

AB2060 Total enrollments = 19/20 (95% of goal). Assigned case manager participated in 4 days of training to learn techniques for serving individuals with a criminal history and other significant barriers to employment.

EVENT PARTICIPATION

<u>Date</u>	<u>Event Name</u>	<u>Outcomes</u>
1/23/17	Job Connections	30+ job seekers participated
2/8/17	AB2060 Community of Practice	Staff development
2/22/17	Job Connections (PCOE)	15+ job seekers participated

NOTEABLE OUTCOMES

Labor Exchange Services Assisted Sunrise Senior Living, Harris & Bruno, Placer County Office of Education, HR Ledger, ACE Hardware, Auburn Family Optometry, Armstrong, Straight Line Construction, Trofholz Technologies, and Stanfield Systems, with job orders and recruitment events.

Business Engagement Outreach efforts include job development and identification of appropriate internship sites.

Partner Engagement Met with DOR to discuss increasing the visibility of the counselor who visits the Roseville AJCC on Wednesdays. Met with adult education partners to plan next year's workshop calendar.

Service Delivery Strategies The co-located partners at the Roseville AJCC are considering a change in business hours to accommodate staff training and development needs. We are conducting a time study to determine how the change will impact the public.

WIOA Transition No update to report at this time.

GOLDEN SIERRA CONSORTIUM

BUSINESS SERVICES AND RAPID RESPONSE REPORT

Report Period: 01/01/17 – 02/28/17

Prepared By: Business Engagement Team

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Placer Contacts	30
<input checked="" type="checkbox"/>	New El Dorado Contacts	10
<input type="checkbox"/>	New Alpine Contacts	
<input checked="" type="checkbox"/>	New Job Orders Received	15
<input checked="" type="checkbox"/>	Total Active Job Orders	100+
<input checked="" type="checkbox"/>	Rapid Response Events	Ritz Carlton (seasonal layoffs - services offered, but declined)

EVENT PARTICIPATION

Date	Event Name	Outcomes
01/09/17	How to Apply for a Federal Job (El Dorado)	37 job seekers attended
01/11/17	Job Connections: Cintas	11 job seekers attended
01/12/17	Federal Forestry Job Fair (El Dorado)	45 job seekers attended
01/19/17	Franchise Tax Board (El Dorado)	50 job seekers attended
01/19/17	Hiring Event: Comfort Keepers (Auburn)	6 job seekers attended
01/24/17	Wollborg Michelson (El Dorado)	15 job seekers attended
01/26/17	Hiring Event: Volt (Auburn)	10 job seekers attended
02/14/17	Job Connections: Ace Hardware	13 job seekers attended; 4 hired
02/16/17	Job Connections: Red Hawk Casino	4 job seekers attended; 2 hired
02/22/17	Placer County Office of Education	20 job seekers attended

ACTIVE JOB ORDER TRENDS

Hospitality and Tourism Red Hawk Casino and Thunder Valley Casino Resort have a variety of openings and multiple positions with a career ladder into management.

Retail Seasonal hiring continues, but at a slower pace than last report period.

Health Care Services Home health providers continue to indicate a growing need for workers, but the wages remain entry-level. Qualified workers are holding out for better opportunities.

Information Technology No updates at this time.

Construction/Trades Employers continue to indicate they cannot find reliable employees. Openings should increase as the weather improves. Employers are encouraged to register for Trades Job Fair.

Business and Financial Services No updates at this time.

Professional and Technical Services No updated at this time.