

GOVERNING BODY MEMBERS

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

MICHAEL RANALLI,
Board of Supervisors
El Dorado County

KIRK UHLER, *Chair*
Board of Supervisors
Placer County

JASON BUCKINGHAM
Executive Director

Golden Sierra Job Training Agency
115 Ascot Drive, Suite 100
Roseville, CA 95661

(916) 773-8540

GOLDEN SIERRA JOB TRAINING AGENCY

**GOVERNING BODY
REGULAR MEETING
AGENDA**

Wednesday, April 4, 2018 – 10:00 am

**Golden Sierra Job Training Agency
Board Room
115 Ascot Drive, Suite 100
Roseville, CA 95661**

- | | | |
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EQUAL OPPORTUNITY

Golden Sierra is an equal opportunity employer/program. Auxiliary aids and services are available upon request. Special requests for services, aids and/or special formats need to be made by calling (916) 773-8540 (Voice). TTY users please call the California Relay Service at 711.

XV. CLOSED SESSION

PUBLIC EMPLOYMENT: PERFORMANCE EVALUATION
(Government Code §54957)

TITLE: EXECUTIVE DIRECTOR

XVI. FUTURE AGENDA ITEMS/NEW BUSINESS

XVII. NEXT MEETING

Wednesday, June 6, 2018 10:00 a.m. – Golden Sierra JTA

XVIII. ADJOURNMENT

GOLDEN SIERRA JOB TRAINING AGENCY

**GOVERNING BODY
SPECIAL MEETING
MINUTES**

Wednesday, October 4, 2017 – 10:00 am

**Placer County Board of Supervisors
Eureka Field Office
1700 Eureka Road, Suite 160
Roseville, CA 95661**

I. ROLL CALL AND INTRODUCTION OF GUESTS

Quorum of the Governing Body was established and the meeting was called to order at 10:05 a.m. by Chair Ranalli

Present: Michael Ranalli – Chair, Kirk Uhler

Absent: Katherine Rakow

Guests: Jason Buckingham, Carline Chavez, Terrie Trombley

II. APPROVAL OF AGENDA

Buckingham asked to remove item IX. Closed Session from agenda

Motion to approve agenda as amended by Uhler, second by Ranalli

Motion approved unanimously

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

None

IV. CONSENT AGENDA

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

a) Approval of Minutes from August 2, 2017 GB Meeting

b) Approval of Minutes from August 2, 2017 GB/EC Joint Meeting

Motion to approve consent agenda items a-b by Uhler, second by Ranalli

Motion approved unanimously

V. RESOLUTION 17-01 – PEMHCA

Buckingham stated that an annual resolution is required by CalPERS to establish 2018 employer's contribution to healthcare. The resolutions will set the contribution at \$550.41 as negotiated in current bargaining unit MOU.

Motion to approve PEMHCA, by Uhler, second by Ranalli

Motion approved unanimously by roll call vote

VI. DIRECTOR'S UPDATE

Alpine County

- As discussed at the last meeting, Alpine County Board of Supervisors (BOS) had given direction to staff to investigate alternative service models both within and outside of the JPA. Several discussions with Alpine folks have occurred since then. Discussions included the funding process, possible service models, and uniqueness of Alpine County.
- On August 1st the Alpine County BOS heard a presentation from Mother Lode regarding their service model.
- On Sept 19th the Alpine County BOS heard a report from their staff regarding the funding process and allotments to Alpine County from The Golden Sierra JPA. Staff reported that Alpine County actually receives more funding from the JPA than is allocated via formula.
- On August 21st the agency released a request for information to determine if there were other parties interested in providing services to Alpine County and did receive some interest. Based on this information the Alpine County BOS' gave direction to Alpine Co staff to continue working with the JPA.
- Buckingham plans to meet again on October 17th with the BOS to relay the competitive process.

Uhler asked if Buckingham had an idea of what is driving this; Buckingham believes that employee retention and reduced funding are key factors.

Buckingham also added that the Mother Lode consortium just took on an economic development district that now includes Alpine County.

Comprehensive Center – EDD office space

- The agency is in the process of relocating the Administrative office from Auburn to Roseville. The new location is directly across the hall from the current comprehensive One-Stop. EDD is the master lease holder for the one-stop location and the intent of the move was to bring staff together in support of that center.
- Local EDD staff submitted a request for a lease extension to their superiors for the current comprehensive center. The request has been denied; the reason stated was that EDD no longer wants to be the lease holder.

- If EDD does not continue being the lease holder, Golden Sierra will have to restructure the system as there must be a comprehensive center in the region. It could mean working with one of the local partners such as Placer School for Adults (PSA) who have similar career center services, or tying the comprehensive center requirement to a future RFP for Career Services. Alternatively, the agency may place staff with community partners to alleviate the fixed costs related to space.
- Buckingham elevated his concerns to EDD District Manager Diane Ferrari, and he will be in discussions with her soon.

Workforce Board

- Workforce Board held a special meeting which included a board member orientation focused on the new members. There were 13 members in attendance; 7 of them new members. The orientation was interactive and well received. It covered the Workforce Board's purpose; member roles and responsibilities; mission, vision, and values; state and local planning efforts and goals; and a few other topics.
- Taking input from Governing Body/Executive Committee Joint meeting the Workforce Board workgroups have been re-established as: Effective Communications through Storytelling, Employer Outreach/Business Engagement, Integrated Training & Best Practices, and Leadership & Strategy which is over seen by the Executive Committee.
- The Executive Committee expressed appreciation for the joint meeting and believes it would be good to attempt a couple of them each year.
- Buckingham has reached out to Barry Broome (as recommended) at The Greater Sacramento Economic Council (GSAC) and are awaiting a response. Currently GSAC working closely with some of the local boards, but will elevate to the regional group to engage them more.

VII. 2017-2018 WIOA TITLE I FINAL BUDGET

Highlights:

- draft considered a 10% reduction in funding; actual has been reduced by 15%
- includes transfer up to 50% of the Title I Dislocated Worker funding to Adult.
- 20% is direct training spend and 10% leverage
- 20% for Youth Work Base Learning (16-24 years old)
- includes increased funding to support Alpine County - \$68,000; this was done in consultation with Alpine county representatives.

Motion to approve 2017/2018 Final Budget by Uhler, second by Ranalli

Motion approved unanimously by roll call.

VIII. WIOA SERVICE PROVIDER UPDATES

Buckingham noted that this is information only; if the Board has any questions he will be happy to answer them. He added that the One-Stop Operator is working to revise the reports and focus more on systems approach as opposed to Title I only.

IX. CLOSED SESSION

PUBLIC EMPLOYMENT: PERFORMANCE EVALUATION & CONTRACT
(Government Code §54957)

TITLE: EXECUTIVE DIRECTOR

Item removed from agenda under approval of agenda item II.

X. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS
(Government Code §54957.6)

AGENCY DESIGNATED REPRESENTATIVES:
Laura Izon Powell, Jason Buckingham & Terrie Trombley

EMPLOYEE ORGANIZATION: Stationary Engineers Local 39

Ranalli called the meeting into closed session at 10:23 a.m.

Ranalli called the meeting back into open session at 10:48 a.m.

Report out of closed session: the Governing Body gave direction to staff.

XI. FUTURE AGENDA ITEMS/NEW BUSINESS

Relocation update

XII. NEXT MEETING

Wednesday, December 6, 2017 10:00 am
Placer County Board of Supervisor - Eureka Field Office
1700 Eureka Road, Suite 160, Roseville, CA 95661

XIII. ADJOURNMENT

Meeting Adjourned by Chair Ranalli at 10:50 am.

GOLDEN SIERRA JOB TRAINING AGENCY

**GOVERNING BODY
REGULAR MEETING
MINUTES**

Wednesday, February 7, 2018 – 10:00 am

**Golden Sierra Job Training Agency
Board Room
115 Ascot Drive, Suite 100
Roseville, CA 95661**

I. ROLL CALL AND INTRODUCTION OF GUESTS

Quorum of the Governing Body was established and the meeting was called to order at 10:05 a.m. by Vice-Chair Rakow

Present: Kirk Uhler – Chair, Katherine Rakow – Vice-Chair

Absent: Michael Ranalli

Guests: Jason Buckingham, Carline Chavez, Lorna Magnussen, Darlene Galipo, Martha Escobedo, Terrie Trombley

II. APPROVAL OF AGENDA

Motion to approve agenda by Uhler, second by Rakow.

Motion approved unanimously

III. CONSENT AGENDA

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

a) Approval of Minutes from October 4, 2017 GB Meeting

Item carried over to next meeting as Rakow was not present at October 4th meeting.

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

None

V. CHAIR/VICE CHAIR NOMINATIONS FOR 2018

Rakow **motioned** to nominate Uhler as Chair, second by Uhler.

Uhler **motioned** to nominate Rakow as Vice Chair, second by Rakow.

Motions approved unanimously

VI. LEGISLATIVE PLATFORM

Buckingham stated that this platform came out of conversations with the Workforce Board regarding their desire to have a stronger voice relating to legislation. The Workforce Board's legislative platform sets parameters for Board to take positions on proposed legislation and the matrix gives them a tool to rate the position.

Buckingham added that part of the process included forwarding the platform to the respective counties for possible inclusion in their county platforms.

Uhler suggested that Buckingham contact Joel Joyce, who handles the legislative platform in the Placer County CEO's office.

Rakow asked who would be the best advocate; Buckingham stated that it is different in each county; it could be a lobbying firm, the county counsel or the CAO's office depending on how the county structures this type of work.

VII. TICKET-TO-WORK

Buckingham stated that in 2011 the agency was designated as an Employment Network (EN); this allows that the agency to accept milestone payments for successfully assisting those on Social Security Disability meet employment outcomes.

The payments received do not have the same restrictions as WIOA, and allow the Agency to serve other populations or invest funding in ways limited under WIOA.

Over a period of 4-5 years the agency has earned over \$72,000. These funds partially support a Disability Resource Coordinator position, alongside other funding such as Disability Employment Accelerator (DEA) and WIOA. In addition, approximately \$13,000 has been used for miscellaneous expenses as outlined in the memo.

Buckingham stated that future uses could include expenses such as offsetting administrative costs, startup costs for grants, dry period financing, but also to build fee for service programs.

VIII. CAREER SERVICES RFP

Buckingham updated the board that the Agency has been working with Alpine County Health & Human Services Agency (HHSA) to provide services since being informed of HHSA's transition out of service provision. The short-term solution was for Golden Sierra to provide staffing twice a month. The long term solution is to subcontract with a provider in the area to provide services.

Buckingham believes that by the next meeting the competitive process for selecting that provider process will have been completed and will be seeking approval from the Governing Body in order to make the award. Alpine staff has been invited to participate in the RFP review process.

IX. DIRECTORS UPDATE

- Agency currently undergoing annual financial audit; Single Audit will be presented at April Governing Body meeting.

- Funding update:
 - ✓ Federal funding still unknown
 - ✓ Received several state awards:
 - Capital Region Planning Unit (RPU) was awarded \$653,000 to implement 3 regional initiatives. The funding was not awarded directly to the agency, but will help offset costs or eliminate duplication within the region. The 3 areas will be program alignment, employer engagement, and system alignment.
 - 1) Program Alignment – the RPU will be engaging industry sectors at the regional level helping to align advisory groups; the RPU has been working on this for roughly two years.
 - 2) Employer Engagement – work with the “A-Teams” through Align Capitol Region to assist in their coordinated employer engagement
Help expand the small business startup E- Resource Hub created via Slingshot.
 - 3) Systems Alignment – the RPU has been holding regional workforce board meetings with the directors, and will be expanding to include the chairs of the workforce boards to discuss goals and system alignment. Expanded regional staff development is also occurring, the Capital Area Investment Zone (CAIZ) initially served Golden Sierra and Sacramento, but has expanded to include North Central Counties and Yolo County. Additional efforts include a regional workforce summit possibly focused on manufacturing and combining regional administrative expenses.
 - ✓ AB 2060 grant round 3 is about to be released. This is funding to mature current relationships between partners servicing the supervised populations or expand successful components of previous projects. Up to \$2,000,000 will be awarded Applications are limited to current providers of which Golden Sierra is one. The state anticipates 5 awards of \$400,000. The agency received \$300,000 under round 2 and was successful.
- AB 1111 (*handout*) is a piece of legislation that ties community based organizations serving targeted populations with workforce development entities to break barriers to employment, and maintain sustainable employment. The initiative was signed, but there are no appropriations as of yet; we hope to see funding this year to provide workforce services. 15 populations have been identified. Buckingham has met with staff from both Senator Gaines and Assembly member Kiley; he will be scheduling a meeting with Frank Bigelow and Jim Nielson. On March 7 he will be attending the annual CWA Day at the Capitol event where they will be talking with capital staff.
- Local initiative; Sac Valley Manufacturing Initiative – new efforts focused on building a stronger Sacramento Region manufacturing sector driven by industry leaders with the purpose of informing the region’s educational institutions about workforce and training needs. Based on the SlingShot work within the NoRTEC region known as the Grow Manufacturing Initiative.
- The agency recently sponsored and participated in a construction cluster and workforce needs assessment/forum. The work was conducted by Valley Vision and Los Rios Center of Excellence. The greatest demand is electricians; some say not a worker shortage but a wage shortage.
- There is a Tech Forum coming up on Friday 9:30am at Sierra College Fireside Room. The forum will bring together employers, workforce and economic development professionals, education and civic partners to address challenges and opportunities emerging as sectors and businesses adjust to an increasingly automated and technology-oriented work landscape.

- AJCC (America's Job Centers of California) required Baseline certification process was recently completed. There are 2 types of certifications required; the Baseline and the Hallmarks of Excellence. The Hallmarks of Excellence must be completed by June 2018.
- There is no resolution on lease in Roseville. Reduced funding will mean reducing our fixed costs, which may require distributing staff out into community partners.

Rakow asked what has been the reaction from the public with the relocation to Roseville from Auburn; Buckingham answered that there has been no impact on the public in part thanks to Placer School for Adults expanding their services in the Auburn area.

- Preliminary discussions with El Dorado County stakeholders have occurred regarding HHSA status as a subcontractor. Due to reduced funding and an increased investment on the part of the County, El Dorado HHSA staff has made the recommendation to the CAO not to apply for future WIOA funding. This being the case, it would be the agency's intent to assume the role of the provider at least until there is more stability in the federal funding source.

X. WIOA SERVICE PROVIDER REPORTS

- El Dorado County – El Dorado County HHS
- Placer County - Golden Sierra Job Training Agency
- Consortium Business Engagement / Rapid Response

XI. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS
(Government Code §54957.6)

AGENCY DESIGNATED REPRESENTATIVES:
Laura Izon, Jason Buckingham & Terrie Trombley

Employee Organization: Stationary Engineers Local 39

Uhler called the meeting into closed session at 10:42 a.m.

XII. CLOSED SESSION

PUBLIC EMPLOYMENT: PERFORMANCE EVALUATION
(Government Code §54957)

TITLE: EXECUTIVE DIRECTOR

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

Report out of closed session:

- The Governing Body gave direction to staff regarding labor negotiations.
- The Governing Body met with legal counsel regarding the Public Employment Performance Evaluation; it is in fact a contract modification including an extension. Final modifications will be made prior to execution; direction was given to counsel regarding that contract modification and extension. .

XIII. FUTURE AGENDA ITEMS/NEW BUSINESS

XIV. NEXT MEETING

Wednesday, April 4, 2018 10:00 a.m. – Golden Sierra JTA

XV. ADJOURNMENT

Meeting Adjourned by Chair Uhler at 11:05 am.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: Resolution 17-02 Dry Period Financing

Staff are seeking the Governing Body's approval to receive \$50,000 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 \$50,000 for FY 2018/2019

Resolution No.: 17-02

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 \$50,000;

WHEREAS, the Agency requires temporary borrowing of Treasury funds for dry period financing from Placer County for up to \$50,000;

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 17-02 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 17-02** was duly passed by the Governing Body of the Golden Sierra Job Training Agency at a regular meeting held

April 4, 2018 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Katherine Rakow, Vice Chairman, Governing Body

Attest:

Lorna Magnussen, Clerk of Golden Sierra Governing Body

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJECT: FY 2016/2017 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 2016/2017. 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.



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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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, 2017. 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 29, 2018. 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. No new accounting policies were adopted and the application of existing policies was not changed during the year. 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 amounts related to the other post-employment benefit plans, net pension liability and related deferred inflows of resources and deferred outflows of resources. These estimates were based on actuarial valuations. We evaluated the key factors and assumptions used to develop the management's estimates, 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 28, 2018.

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.

Varrinck, Trine, Day & Co. LLP

Sacramento, California
March 28, 2018

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, 2017

GOLDEN SIERRA JOB TRAINING AGENCY
For the Fiscal Year Ended June 30, 2017

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency (the Agency) as of and for the year ended June 30, 2017, 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 for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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, 2017, 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.

Other Matters

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 benefits, budgetary comparison information, schedule of 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 accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

Such information 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. The 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 28, 2018, 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 28, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2017

The following discussion and analysis of the Golden Sierra Job Training Agency's financial performance provides an overview of financial activities for the fiscal year ending June 30, 2017. This information is presented in conjunctions with the audited financial statements and the accompanying notes that follow this section.

Financial Highlights

- The Agency was awarded \$294,415 for the Supervised Population Workforce Training Grant Program from the California Workforce Development Board. This was the initial round of funding for this program. This grant is complemented by our primary source of funding, the Workforce Innovation Opportunity Act and further encourages for the local area to enhance system relationships to serve the targeted population of the award. The award is scheduled to close in December of 2017.
- The Agency was successful in meeting a State mandated Direct Training Expenditure Requirement for the Program Year (PY) 2016. Direct financial support in the amount \$443,401 from FY 2016's sub-grant for Adult and Dislocated Worker allocation funding and negotiating with training providers allowable leveraged resources in the amount of \$206,244 for a combined total of \$649,645. Total required amount for FY 2016 was set at \$596,713.
- The Agency's general fund reported a fund balance of \$52,019, an increase of \$15,969. This increase is representative of the Ticket to Work cash receipts from the Agency's operations as an Employment Network (EN).
- There are two long-term liabilities of the Agency. The unpaid accrued compensated absences in the amount of \$73,819 and the net pension liability of \$5,304,341 as of June 30, 2017. The net pension liability will continue to be a focus of attention for the Agency as actuarial assumptions are being routinely reviewed by the pension administrator.
- The Agency continues to prefund Other Post-Employment Benefits (OPEB) for eligible Agency retirees with the CalPERS California Employers' Retiree Benefit Trust (CERBT). The annual required contribution is being met and the cash balance held in the CERBT Trust, as of June 30, 2017 is \$1,258,585. The unfunded portion of the OPEB liability was \$1,447,000.

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, 2017

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, 2017

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 31 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 \$3,722,844 at the close of the most recent year.

Statement of Net Position June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Current assets	\$ 607,355	\$ 467,433	\$ 139,922
Capital assets, net	4,032	5,949	(1,917)
Total assets	<u>611,387</u>	<u>473,382</u>	<u>138,005</u>
Deferred outflows related to pensions	<u>1,728,693</u>	<u>1,005,456</u>	<u>3,769,065</u>
Current liabilities	487,651	371,198	116,453
Long-term liabilities	73,819	66,617	7,202
Net pension liability	<u>5,304,341</u>	<u>4,699,419</u>	<u>604,922</u>
Total liabilities	<u>5,865,811</u>	<u>5,137,234</u>	<u>728,577</u>
Deferred inflows related to pensions	<u>197,113</u>	<u>330,578</u>	<u>(163,943)</u>
Net position			
Net investment in capital assets	4,032	5,949	(1,917)
Unrestricted	<u>(3,726,876)</u>	<u>(3,994,923)</u>	<u>3,344,353</u>
Total net position (deficit)	<u>\$ (3,722,844)</u>	<u>\$ (3,988,974)</u>	<u>\$3,342,436</u>

The variance of total Net Position is primarily related to the change in the Agency's pension liability which increased by \$604,922. Information about the recognition of the \$5,304,341 liability within the Government-Wide statements is further described in Note F beginning on page 23. 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, 2017

Statement of Activities
For the Fiscal Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Revenues:			
Program revenue:			
Operating grants and contributions	\$ 4,111,749	\$ 4,217,677	\$ (105,928)
General revenue:			
Investment earnings	-	1,937	(1,937)
Miscellaneous	20,255	18,969	1,286
Total revenues	4,132,004	4,238,583	(106,579)
Expenses:			
Education	3,865,874	4,019,325	(153,450)
Change in net position	266,130	219,258	46,872
Net position, beginning of year	(3,988,974)	(4,208,232)	219,258
Net position, end of year	<u>\$ (3,722,844)</u>	<u>\$ (3,988,974)</u>	<u>\$ 266,130</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. Program revenues decreased by (\$105,928) primarily due to the decrease in recurring allocation awards from the Employment Development Department. The decrease in expenses of \$153,450 is due to the net increase in the elements of pension liability calculations of \$38,579 offset by decreasing expenses and a decrease in operating expense which directly relates to the reduction in revenues in the amount of \$114,871.

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 \$52,019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2017

Revenues by Source Analysis

	<u>2017</u>	<u>2016</u>	<u>Change</u>	<u>%</u>
Federal	\$ 3,777,198	\$ 4,199,288	\$ (422,090)	-10%
State	334,551	18,389	316,162	1719%
Investment earnings	-	1,937	(1,937)	-100%
Miscellaneous	20,255	18,969	1,286	7%
Total revenues	<u>\$ 4,132,004</u>	<u>\$ 4,238,583</u>	<u>\$ (106,579)</u>	-3%

Federal revenue decreased during the fiscal year primarily due to the reduction in allocation funding being awarded to the Agency. State funding was primarily comprised of 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 and the newly awarded *Supervised Population Workforce Training Grant Program*. Miscellaneous funding represents receipts to the Agency from the Social Security Administration for active participants registered in the Ticket to Work Program.

Expenditures by Function

General Fund

For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>	<u>Change</u>	<u>%</u>
Salaries and employee benefits	\$ 2,187,779	\$ 2,252,469	\$ (64,690)	-3%
Training and support services	1,565,201	1,493,671	71,530	5%
Services and supplies	237,999	304,441	(66,442)	-22%
Rents	125,056	174,193	(49,137)	-28%
Total expenditures	<u>\$ 4,116,035</u>	<u>\$ 4,224,774</u>	<u>\$ (108,739)</u>	-3%

During the fiscal year ended June 30, 2017, expenditures decreased proportionately within funding categories based on use of funding. Overall, expenditures have been reduced; however, note that the *Training and support services* category increased by \$71,530 from the prior year. This increase demonstrates our commitment to the delivery of participant services while managing limited financial resources.

Analysis of General Fund Budget

As presented on page 33 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, 2017.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2017

- The Agency's annual budget is presented with all available awards budgeted. At June 30, 2017 the Agency had underspent by \$1,969,050 unreimbursed due to funds not being expended. The Employment Development Department our grantor lifted funds utilization requirements for the year which is another contributing factor to the large variance between budget to actual in revenues and expenditures.
- Training and support services shows \$1,727,156 in unexpended appropriation, of which \$551,225 have been placed into contracts for Program Administration and Participant Training services that have not been expended as of fiscal year end. Salaries and employee benefits are under budget due to unplanned retirements offset by an additional employer contribution of \$100,000 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 investment in capital assets as of June 30, 2017 was \$4,032. 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, 2017 was \$73,819. The balance increased by \$7,202 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, 2017

Economic Factors and Next Year's Budgets and Rates

The following are primary factors considered while preparing the Agency's budget for Fiscal Year 2017/2018:

- Meet both State and Federal mandated requirements as follows:

State Required: 20% of Adult and Dislocated Worker funding will support Direct Training with a planned assumption of 10% leverage in order to meet the full requirement of 30% with a 20/10 ratio of WIOA Cash/Leverage.

Federally Required: 20% of Youth funding is earmarked to meet the Youth Work Based Learning (WBL) requirement as outlined in the WIOA Title I award. Maintain a *Comprehensive One-Stop Center* in the *Local Area* while strategically utilizing financial resources to meet obligations of the JPA and leading and participating in the continued development of both local and regional *Workforce Systems*.

- The Agency applied for and was awarded round three of the *Disability Employment Accelerator Grant* for \$176,446. This award complements our increased focus to be a premier Employment Network service provider and offers additional financial resources for the 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 periods.

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, and 115 Ascot Drive, Suite 100, Roseville, California 95661.

BASIC FINANCIAL STATEMENTS

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Net Position - Governmental Activities
June 30, 2017

Assets	
Cash and investments	\$ 220,436
Due from other governments	300,056
Prepaid items	19,178
Net OPEB asset	67,685
Capital assets, net	<u>4,032</u>
Total assets	<u>611,387</u>
Deferred Outflows of Resources	
Deferred outflows related to pension	<u>1,728,693</u>
Liabilities	
Accounts payable	241,560
Salaries and wages payable	80,976
Benefits payable	142,157
Unearned revenue	22,958
Long-term liabilities:	
Due within one year	11,073
Due in more than one year	62,746
Net pension liability	<u>5,304,341</u>
Total liabilities	<u>5,865,811</u>
Deferred Inflows of Resources	
Deferred inflows related to pension	<u>197,113</u>
Net Position	
Investment in capital assets	4,032
Unrestricted	<u>(3,726,876)</u>
Total net position (deficit)	<u><u>\$ (3,722,844)</u></u>

See accompanying notes to the financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2017

Program expenses	
Education	\$ 3,865,874
Program revenues	
Operating grants and contributions:	
Federal	3,777,198
State	334,551
Total program revenues	<u>4,111,749</u>
Net program revenues	<u>245,875</u>
General revenues	
Miscellaneous	<u>20,255</u>
Total general revenues	<u>20,255</u>
Change in net position	266,130
Net position (deficit), beginning of year	<u>(3,988,974)</u>
Net position (deficit), end of year	<u><u>\$ (3,722,844)</u></u>

See accompanying notes to the financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Balance Sheet - General Fund
June 30, 2017

Assets

Cash and investments	\$ 220,436
Due from other governments	300,056
Prepaid items	<u>19,178</u>
Total assets	<u><u>\$ 539,670</u></u>

Liabilities and Fund Balance

Liabilities:

Accounts payable	\$ 241,560
Salaries and wages payable	80,976
Benefits payable	142,157
Unearned revenue	<u>22,958</u>
Total liabilities	<u>487,651</u>

Fund balance (deficit):

Nonspendable for prepaid items	19,178
Unassigned	<u>32,841</u>
Total fund balance	<u>52,019</u>
Total liabilities and fund balance	<u><u>\$ 539,670</u></u>

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

Fund balance - from above	\$ 52,019
Net OPEB asset of the governmental activities is not a current financial resource and, therefore, is not reported in the general fund.	67,685
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the general fund.	4,032
Deferred outflows of resources related to pensions	1,728,693
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the general fund:	
Compensated absences	(73,819)
Net pension liability	(5,304,341)
Deferred inflows related to pensions	<u>(197,113)</u>
Net position of governmental activities	<u><u>\$ (3,722,844)</u></u>

See accompanying notes to the 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, 2017

Revenues

Intergovernmental:	
Federal	\$ 3,777,198
State	334,551
Miscellaneous	20,255
	<hr/>
Total revenues	4,132,004

Expenditures

Current:	
Education:	
Salaries and employee benefits	2,187,779
Training and support services	1,565,201
Services and supplies	237,999
Rents	125,056
	<hr/>
Total expenditures	4,116,035
	<hr/>
Change in fund balance	15,969
Fund balance, beginning of year	36,050
	<hr/>
Fund balance, end of year	\$ 52,019

**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	\$ 15,969
The general fund reports the contribution of other postemployment benefits (OPEB) in excess of the required contribution as an expenditure when paid, whereas the amount is amortized in the statement of activities.	7,500
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.	(1,917)
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	(7,202)
Change in net pension liability and related deferrals	251,780
	<hr/>
CHANGE IN NET POSITION	\$ 266,130

See accompanying notes to the financial statements.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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, 2017

**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 no spendable 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 activities. Purchased capital assets are stated at cost. Donated capital assets are valued at their 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, 2017

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.

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, 2017

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, and then assigned resources and unassigned resources last as they are needed.

Revenues

The Agency bills and collects revenues primarily through a reimbursement of expenditures from the Employment Development Departments CalJOBS System. In addition the Agency receives cash receipts for contracted services. All receipts are deposited directly in the County’s pooled cash fund for the Agency. The Agency considers all receipts to be general revenues.

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, 2017

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

Fair Value Measurement

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, 2017, 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. 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 determined this statement to be not applicable.

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 determined this statement to be not applicable.

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 determined this statement to be not applicable.

GOLDEN SIERRA JOB TRAINING AGENCY

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

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

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

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 determined this statement to be not applicable.

Future Governmental Accounting Standards Board (GASB) Pronouncements

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 is evaluating 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 is evaluating 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 is evaluating the effect, if any, on the financial statements.

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 is evaluating 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, 2017

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

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

GASB Statement No. 85 – In March 2017, GASB issued Statement No. 85, *Omnibus*. The objective of this Statement is to address practice issues that have been identified during implementation of application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Agency is evaluating the effect, if any, on the financial statements.

GASB Statement No. 86 – In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Agency is evaluating the effect, if any, on the financial statements.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after December 15, 2019. The Agency is evaluating 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 that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Agency's

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE B – CASH AND INVESTMENTS (CONTINUED)

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.

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, 2017 was 1,595 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

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE B – CASH AND INVESTMENTS (CONTINUED)

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, 2017 of \$220,436 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

NOTE C – CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2017 were as follows:

	Balance			Balance
	July 1, 2016	Additions	Deletions	June 30, 2017
Building and Improvements	\$ 159,431	\$ -	\$ -	\$ 159,431
Furniture and equipment	35,637	-	-	35,637
Less accumulated depreciation:				
Building and Improvements	(159,431)			(159,431)
Furniture and equipment	(29,688)	-	(1,917)	(31,605)
Total capital assets, net	<u>\$ 5,949</u>	<u>\$ -</u>	<u>\$ (1,917)</u>	<u>\$ 4,032</u>

NOTE D – LONG-TERM LIABILITIES

Changes in long-term liabilities for the fiscal year ended June 30, 2017 are presented below:

	Balance			Balance	Due Within
	July 1, 2016	Additions	Deletions	June 30, 2017	One Year
Compensated absences	<u>\$ 66,617</u>	<u>\$ 92,680</u>	<u>\$ (85,478)</u>	<u>\$ 73,819</u>	<u>\$ 11,073</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, 2017

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, 2017 are summarized as follows:

	Miscellaneous Classic Rate Plan	Miscellaneous Rate Plan
Hire Date	Hired on or before December 31, 2012	Hired on or after 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, 2017

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, 2017, for the Miscellaneous Classic and PEPRA Miscellaneous Tier, were 10.069%, and 6.555%, 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 \$580,750 for the year ended June 30, 2017, 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, 2017, the Agency reported a liability of \$5,304,341 for its proportionate share of the net pension liability. The net pension liability of the Plan was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. 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, 2016, the Agency's proportion was 0.06130%, a decrease of 0.05737% from the June 30, 2015 measurement date.

For the year ended June 30, 2017, the Agency recognized pension expense of \$328,972. At June 30, 2017, 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
Difference between expected and actual experience	\$ 17,196	\$ 3,940
Changes of assumptions	-	162,695
Net differences between projected and actual investment earnings	846,774	-
Changes in proportion and differences between Agency contributions and proportionate share of contributions	283,972	30,478
Pension contributions made subsequent to measurement date	580,751	-
	<u>\$ 1,728,693</u>	<u>\$ 197,113</u>

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE F – PENSION PLAN (CONTINUED)

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

The amount of \$580,751 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, 2018. 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>
2018	\$ 193,062
2019	165,867
2020	372,575
2021	219,325
	<u>\$ 950,829</u>

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuations, rolled forward to June 30, 2016, was determined using the following actuarial methods and assumptions:

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's 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, 2015 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, 2017

NOTE F – PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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 Years 1 - 10 ¹	Real Return 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

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 the tested 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

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE F – PENSION PLAN (CONTINUED)

Discount Rate (Continued)

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	\$ 8,070,319
Current Discount Rate	7.65%
Net Pension Liability	\$ 5,304,341
Discount Rate + 1%	8.65%
Net Pension Liability	\$ 3,027,158

Pension Plan Fiduciary Net Position

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

NOTE G – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to the retirement benefits described in Note F, the Agency sponsors an agent-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.

GOLDEN SIERRA JOB TRAINING AGENCY

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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 20.1% 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, 2017, the Agency's annual OPEB cost (expense) was \$229,000. 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.

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	\$ 229,000
Interest on net OPEB asset	(4)
Adjustment to annual required contribution	<u>4</u>
Annual OPEB cost (expense)	229,000
Contributions made	<u>236,500</u>
Increase in net OPEB asset	7,500
Net OPEB asset - beginning of year	<u>60,185</u>
Net OPEB asset - end of year	<u>\$ 67,685</u>

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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, 2017 and the two preceding years were as follows:

Ended	OPEB Cost	Contributed	Net OPEB Asset
6/30/2015	\$ 222,000	103.95%	\$ 60,185
6/30/2016	222,000	100.00%	60,185
6/30/2017	229,000	103.00%	67,685

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.

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.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Methods and Assumptions (Continued)

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, 2017

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, 2017 were \$125,056. Future minimum lease payments are scheduled as follows:

Year Ending June 30	Total Minimum Payments
2018	\$ 219,223
2019	121,286
2020	56,263
2021	57,878
2022	59,493
2023	14,941
Total	<u>\$ 529,084</u>

REQUIRED SUPPLEMENTARY INFORMATION

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Funding Progress – Other Postemployment Benefits Plan
For the Fiscal Year Ended June 30, 2017

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 Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Federal	\$ 5,577,746	\$ 5,577,746	\$ 3,777,198	\$ (1,800,548)
State	507,339	507,339	334,551	(172,788)
Miscellaneous	-	-	20,255	20,255
Total revenues	<u>6,085,085</u>	<u>6,085,085</u>	<u>4,132,004</u>	<u>(1,953,081)</u>
Expenditures:				
Current:				
Education:				
Salaries and employee benefits	2,217,663	2,217,663	2,187,779	29,884
Training and support services	3,292,357	3,292,357	1,565,201	1,727,156
Services and supplies	453,145	453,145	237,999	215,146
Rents	121,920	121,920	125,056	(3,136)
Total expenditures	<u>6,085,085</u>	<u>6,085,085</u>	<u>4,116,035</u>	<u>1,969,050</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	15,969	<u>\$ 15,969</u>
Fund balance, beginning of year			<u>36,050</u>	
Fund balance, end of year			<u>\$ 52,019</u>	

See accompanying notes to Schedule of Expenditures of Federal Awards

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Agency's proportion of the net pension liability	0.0613%	0.0685%	0.0629%
Agency's proportionate share of the net pension liability	\$ 5,304,341	\$ 4,699,419	\$ 3,908,523
Agency's covered payroll	\$ 1,130,884	\$ 1,149,967	\$ 1,207,175
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	469.04%	408.66%	323.77%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	74.06%	78.40%	79.82%
Measurement Date	6/30/2016	6/30/2015	6/30/2014

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

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of the Agency's Pension Contributions

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 530,751	\$ 481,222	\$ 393,772
Contributions in relation to the actuarially determined contribution	<u>580,751</u>	<u>531,222</u>	<u>463,123</u>
Contribution deficiency (excess)	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	<u>\$ (69,351)</u>
 Covered payroll	 \$ 1,085,378	 \$ 1,130,884	 \$ 1,149,967
 Contributions as a percentage of covered payroll	 53.51%	 46.97%	 40.27%

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

GOLDEN SIERRA JOB TRAINING AGENCY
Note to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

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



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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**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 Governing Board
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 (the Agency) as of and for the year ended June 30, 2017, 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 28, 2018.

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 28, 2018



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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

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

Report on Compliance for Each Major Federal Program

We have audited the Golden Sierra Job Training Agency's (the 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, 2017. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, 2017.

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.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
March 28, 2018

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

Federal Grantor	Federal	Pass-through	Federal	Passed-through
Pass-Through Grantor	CFDA	Entity Identification	Expenditures	to Subrecipients
Program Title/Cluster	Number	Number		
U.S. Department of Labor				
<u>Passed through California Employment Development Department</u>				
Employment Service/Wagner-Peyser Funded Activities	17.207	K597222	\$ 3,616	\$ -
WIOA National Dislocated Worker Grant	17.277	K698360	223,021	-
Workforce Innovation Opportunity Act (WIOA) (WIOA Cluster):				
WIA Adult Program Disability Employment Accelerator	17.258	K594759	39,780	-
WIOA Adult Program	17.258	K698360	494,353	174,741
WIOA Adult Program	17.258	K7102029	603,311	64,213
Total WIA/WIOA Adult Program			1,137,444	238,954
WIOA Youth Activities	17.259	K698360	486,274	96,529
WIOA Youth Activities	17.259	K7102029	384,323	47,531
Total WIOA Youth Activities			870,597	144,060
WIOA Dislocated Worker Formula Grants	17.278	K698360	736,362	60,330
WIOA Dislocated Worker Formula Grants	17.278	K7102029	809,748	15,888
Total WIOA Dislocated Worker Formula Grants			1,546,110	76,218
Total WIOA Cluster			3,554,151	459,232
Total Expenditures of Federal Awards			\$ 3,780,788	\$ 459,232

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

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, 2017. 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 position, 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.

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

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>

Identification of major federal programs:

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

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, 2017

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, 2017

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

GOLDEN SIERRA JOB TRAINING AGENCY
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2017

None reported.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Laura Izon, KMTG, Agency Legal Counsel
SUBJECT: Executive Director Employment Agreement modification/extension

Before the board for approval is employment agreement for Golden Sierra Job Training Agency Executive Director, Jason Buckingham.

Summary of modifications:

- Term – 7/1/17 – 6/30/20
- Salary commencing 6/21/17 - \$122,598.50 per year [includes salary correction outlined in 3.5 in the amount of \$3,753.51]; with 2% annual increase
- One time \$3,000 merit based payment

GOLDEN SIERRA JOB TRAINING AGENCY
AMENDMENT TO EMPLOYMENT AGREEMENT FOR SERVICES WITH
THE EXECUTIVE DIRECTOR

This Amendment of the Employment Agreement ("Amendment") dated for reference purposes only as of February 7, 2018 is made and entered into by and between Golden Sierra Job Training Agency ("Golden Sierra") and Jason Buckingham ("Executive Director" or "Buckingham").

Recitals

A. Golden Sierra and Buckingham previously entered in the Employment Agreement dated August 6, 2014 (the "Agreement") employing Buckingham as the Executive Director of Golden Sierra.

B. Golden Sierra and Buckingham now desire to amend the terms of the Agreement for the purposes of, among other things, extending the Term and modifying the Salary provisions of the Agreement.

Agreement

Now, therefore, taking in account the foregoing Recitals (which, by this reference, are incorporated herein), and in consideration of the mutual covenants, agreements and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged, Golden Sierra and Buckingham agree as follows:

1. Amendments to Agreement

(a) Section 1(Term) of the Agreement hereby is modified as follows:

Term: The Governing Body hereby employs Jason Buckingham as Executive Director of Golden Sierra for a term of three (3) years commencing July 1, 2017 through June 30, 2020, which continues ing from the expiration of the prior agreement on June 30, 2017—June 30, 2011 ~~and recommencing July 1, 2014 , and ending June 30, 2017~~, subject to the terms and conditions hereinafter set forth and as hereby modified in this Amendment.

(b) Section 3.1 (Salary) of the Agreement hereby is deleted and replaced with the following:

3.1: Commencing June 21, 2017, Executive Director's annual salary shall be \$122,598.50 per year for the term of this contract for twelve-months of full-time service. Said salary includes initial 2% annual increase identified in 3.2. Said salary shall be payable in twenty-six (26) equal monthly payments. When only a portion of any year or pay period is served, the Executive Director's salary shall be prorated to reflect such service. The per diem rate shall be calculated according to then-current Golden Sierra practice.

(c) Section 3.3 is hereby modified as follows:

3.3: Based on merit and excellent past job performance, ~~a one-time payment~~, the Executive Director shall receive a one-time payment of three thousand dollars (\$3000.00) three months after the Governing Body's adoption of the Golden Sierra's ~~2014-2015~~ 2017-2018 budget.

(d) New Section 3.5 (Salary) is hereby added to the Agreement as follows:

3.5: In recognition of the 2% annual cost of living raise intended in the Agreement, and with due consideration being given to the increases in Buckingham's employee contributions to CalPERS (1% additional in each of years 2015, 2016 and 2017, for a total of 3% in additional contributions), which were not included in the Agreement, the Governing Body agrees to pay for Fiscal Year 2016/2017 a non-PERSable, lump sum of \$1,230.64 and for Fiscal Year 2017/2018 a retroactive pay rate increase of \$2,522.87 to effectuate the intended 2% cost of living raise. The lump sum and retroactive adjustments include salary and flexible benefit. The salary portion of these adjustments will bring his annual salary to \$122,598.50 as identified in Section 3.1 above, and the annual 2% increase identified in Section 3.2 will continue during the duration of this agreement.

In witness hereof, Golden Sierra and Buckingham have executed this Amendment to the Agreement as of April 4, 2018.

GOLDEN SIERRA GOVERNING BODY OF DIRECTORS

Katherine Rakow, Alpine County, Vice Chair

I accept this Amendment and agree to comply with the conditions of my Employment Agreement and this Amendment and to fulfill all of the duties of the Executive Director of the Golden Sierra Job Training Agency.

Jason Buckingham

Date

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJ: FY 2017/2018 WIOA Title I Budget Revision

Attached is a Budget Revision for Fiscal Year (FY) 2017/2018 final budget. This budget revision is to allocate funds that were not appropriated to the El Dorado/Alpine career services contract. Additionally, it includes modifying the budget to increase funding available to pay down Agency's Unfunded Accrued Pension Liability.

This budget revision will be presented to the Executive Committee of the Workforce Board and the full Workforce Board on May 17, 2018.

**Golden Sierra Budget Revision #1
Fiscal Year 2017/2018**

<u>Allocation of funds</u>		OL3	
El Dorado/Alpine Career Services	2555	\$	32,000
Agency's Unfunded Accrued Pension Expense	1305	\$	30,000
PY 17 Award to be Expended in Second Year	5600	\$	(62,000)
Net impact to Agency Operations		\$	-

The appropriation of the monies above are from the line item that was planned for expense in Second Year of award period. Due to change in federal administration and the Agency planning for greater reductions this line item had an additional \$206,178.

GOLDEN SIERRA GOVERNING BODY

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJ: FY 2018/2019 Allocation Draft Planning Assumptions

Attached is a funding allocation planning document for Fiscal Year (FY) 2018/2019. These projections are being made with an anticipated 10% reduction in WIOA Title I funding from the prior year.

In order to keep the Governing Body current on information regarding the budget preparation we wanted to discuss the process for the development of the Agency's priority based budget strategy.

Highlights of note:

- 1) Meet the required 30% Direct Training ratio
- 2) Meet the 20% Work Based Learning requirement for youth
- 3) Fund the required Comprehensive One-Stop Center
- 4) Fund the system's required One-Stop Operator
- 5) Maintain financial support at FY 2017/2018 levels for Agency Operations including legacy obligations.
- 6) Begin transition of managing service delivery in El Dorado County by Agency Staff.
- 7) Coordinate with Consortium Partners on how to meet goals of System with limited financial resources.

		A	B	C	D	E	F	G		
Allocation Funding Categories										
									Prior	
Fiscal Year 2018/2019 Planning Allocation		Dislocated	50% Dislocated		Youth Out	Rapid	Layoff		Fiscal Year	
To Proceed with Development of Draft Budget		Worker	Transfer to Adult	Adult	100%	Response	Aversion	Total	2017/2018	Difference
Funding Awards for New Fiscal Year		\$ 475,087	\$ 475,088	\$ 779,541	\$ 801,941	\$ 187,753	\$ 31,474	\$ 2,750,884	\$ 3,069,385	\$ (318,501)
Consortium Operations										
Administration	10.00%	\$ 47,509	\$ 47,509	\$ 77,954	\$ 80,194	\$ -	\$ -	\$ 253,166	\$ 282,466	\$ (29,300)
WDB Support/Legacy Costs/Program Operations	38.00%	\$ 180,533	\$ 180,533	\$ 296,226	\$ 304,738	\$ 71,346	\$ 11,960	\$ 1,045,336	\$ 1,012,996	\$ 32,340
Consortium Sponsored Cost Centers	7.75%	\$ 36,819	\$ 36,819	\$ 60,414	\$ 62,150	\$ 14,551	\$ 2,439	\$ 213,192	\$ 214,879	\$ (1,687)
Consortium Operating Cost Totals		\$ 264,861	\$ 264,861	\$ 434,594	\$ 447,082	\$ 85,897	\$ 14,399	\$ 1,511,694	\$ 1,510,341	\$ 1,353
Award less Consortium Operating Cost		\$ 210,226	\$ 210,227	\$ 344,947	\$ 354,859	\$ 101,856	\$ 17,075	\$ 1,239,190	\$ 1,559,044	\$ (319,854)
Rapid Response/Layoff Aversion		\$ -	\$ -	\$ -	\$ -	\$ 101,856	\$ 17,075	\$ 118,931	\$ 147,021	\$ (28,090)
Required Direct Training Adult & DW	20.00%	\$ 95,017	\$ 95,018	\$ 155,908	\$ -	\$ -	\$ -	\$ 345,943	\$ 386,720	\$ (40,777)
Work Based Learning (Youth)	20.00%	\$ -	\$ -	\$ -	\$ 144,349	\$ -	\$ -	\$ 144,349	\$ 160,388	\$ (16,039)
Allocation for Career Services		\$ 115,209	\$ 115,209	\$ 189,039	\$ 210,510	\$ -	\$ -	\$ 629,967	\$ 865,212	\$ (235,245)
Youth - Adult - Dislocated Worker Allocation										
Career Services										
Placer	62.00%	\$ 71,430	\$ 71,430	\$ 117,204	\$ 130,516	\$ -	\$ -	\$ 390,580	\$ 536,432	\$ (145,852)
El Dorado	37.00%	\$ 42,627	\$ 42,627	\$ 69,944	\$ 77,889	\$ -	\$ -	\$ 233,087	\$ 320,129	\$ (87,042)
Alpine	1.00%	\$ 1,152	\$ 1,152	\$ 1,890	\$ 2,105	\$ -	\$ -	\$ 6,299	\$ 8,652	\$ (2,353)
Direct Training										
Placer	62.00%	\$ 58,911	\$ 58,911	\$ 96,663	\$ -	\$ -	\$ -	\$ 214,485	\$ 239,767	\$ (25,282)
El Dorado	37.00%	\$ 35,156	\$ 35,157	\$ 57,686	\$ -	\$ -	\$ -	\$ 127,999	\$ 143,087	\$ (15,088)
Alpine	1.00%	\$ 950	\$ 950	\$ 1,559	\$ -	\$ -	\$ -	\$ 3,459	\$ 3,867	\$ (408)
Work Based Learning (Youth)										
Placer	61.00%	\$ -	\$ -	\$ -	\$ 88,053	\$ -	\$ -	\$ 88,053	\$ 97,837	\$ (9,784)
El Dorado	38.00%	\$ -	\$ -	\$ -	\$ 54,853	\$ -	\$ -	\$ 54,853	\$ 60,947	\$ (6,094)
Alpine	1.00%	\$ -	\$ -	\$ -	\$ 1,443	\$ -	\$ -	\$ 1,443	\$ 1,604	\$ (161)
Total Title 1 Allocations by County										
Placer		\$ 130,341	\$ 130,341	\$ 213,867	\$ 218,569	\$ -	\$ -	\$ 693,118	\$ 874,036	\$ (180,918)
El Dorado		\$ 77,783	\$ 77,784	\$ 127,630	\$ 132,742	\$ -	\$ -	\$ 415,939	\$ 524,163	\$ (108,224)
Alpine		\$ 2,102	\$ 2,102	\$ 3,449	\$ 3,548	\$ -	\$ -	\$ 11,201	\$ 14,123	\$ (2,922)
								\$ 2,750,882	\$ 3,069,683	\$ (318,801)

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJ: PY 2018/2019 Subgrant Signature Authority

Staff is requesting the Governing Body authorize signature authority for the Executive Director to sign the New Program Year (PY) 2018/2019 subgrant agreements not to exceed \$3,056,897. The dollar estimate for this request is based on the most recent subgrant award from 2017/2018 (K8106175). On March 23, 2018 the Department of Labor provided Training and Employment Guidance Letter (TEGL) 13-17 which provided planning figures for states. However, as of the date of this memo no communications has been received from the Employment Development Department as to the Local Area awards.

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 in a timely fashion. Current signature authority for the Executive Director rests at \$1,000,000 for governmental entities.

GOLDEN SIERRA GOVERNING BODY

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJ: Career Services RFP

The following item asks the board to discuss and take action regarding the sole source procurement for WIOA Title I Career Services providers for Alpine and South Lake Tahoe region. On March 15, 2018 the Workforce Board took action to recommend awarding the proposal to ADVANCE.

Please find outline below regarding the WIOA Title I [Career Services RFP](#):

RFP released: January 22, 2018
Bidder's Conference: January 30, 2018
RFP closed: February 16, 2018

Estimated baseline funding: \$68,000

4 organizations attended Bidders Conference
2 bidders submitted Letter of Intent
1 bidder submitted responsive Pre-Qualification packets
1 bidder submitted responsive bids
4 outside raters have been appointed and completed the process on March 13, 2018

Responses & rating

Bidder – ADVANCE Lake Tahoe Community College (LTCC) – requested \$68,000

Possible Points	Raters			
	1	2	3	4
70	60	58	56	57

The rating committee felt confident that ADVANCE could meet the needs of the RFP, with the recommendation that contract negotiations include detailed service delivery outcomes per county.

This procurement would be considered sole source procurement under OMB 200.318 due to limited number of response during the RFP process.

**GOLDEN SIERRA
GOVERNING BODY**

MEMORANDUM

DATE: April 4, 2018
TO: Governing Body (GB)
FROM: Jason Buckingham, GSJTA Executive Director
SUBJ: Workforce Board Bylaws approval

Before the Board for review and approval are the redrafted Workforce Board Bylaws. The proposed Bylaws will amend the current Bylaws to conform to the requirements of the federal Workforce Innovation and Opportunity Act based on final legislation.

Attached in the agenda packet are redline and final draft Bylaws reflecting the changes.

These Bylaws have been reviewed and recommended for approval as amended by both the Executive Committee and Agency Legal Counsel, and approved by the Workforce Board on March 15, 2018.

**GOLDEN SIERRA WORKFORCE DEVELOPMENT BOARD
BYLAWS AS AMENDED JANUARY 13, 2016**

Comment [LM1]: Revise date once final

These Bylaws are hereby created by the Golden Sierra Workforce Development Board (formerly referred to as “Workforce Investment Board” or “WIB”) and the Governing Body of the Golden Sierra Job Training Agency (“Governing Body”).

RECITALS

- A. The Counties of Alpine, El Dorado, and Placer have created the Golden Sierra Job Training Agency, herein referred to as “Golden Sierra,” a joint powers agreement, to administer workforce development programs within their boundaries.
- B. The Governing Body consists of three members, i.e., one chief elected official from each of the Boards of Supervisors of Alpine, El Dorado, and Placer Counties.
- C. The State of California, pursuant to the Workforce Innovation and Opportunity Act of 2014, 29 U.S.C. § 3101 *et seq.* (which supersedes the Workforce Investment Act of 1998, 29 U.S.C. § 2801 *et seq.*), hereinafter called the “Act,” has designated the Golden Sierra Job Training Agency as a “Workforce Development Area” (formerly a “Workforce Investment Area”) for the system building and delivery of workforce development programs at the local level, and provides funding thereto.
- D. The State and Federal rules and regulations promulgated pursuant to the Act provide for program activities and require that the Governing Body establish the Workforce Development Board, to be as follows:

**ARTICLE I
NAME**

The name of this body shall be the Golden Sierra Workforce Development Board, hereinafter referred to as the “WDB.”

**ARTICLE II
PURPOSE AND FUNCTION**

2.1. The purpose of the WDB, in partnership with the Governing Body, shall be to establish and oversee the workforce development system for the Counties of Alpine, El Dorado, and Placer.

2.2. 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.

2.3. **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 and workforce needs.

Comment [LM2]: Approved 11/2015

2.4. It shall be the duty of the WDB to do all of the following:

2.4.1. Engage with a diverse range of employers, and with entities in the region:

2.4.1.1. To promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the WDB;

2.4.1.2. To develop effective linkages with employers in the region to support employer utilization of the local workforce development system and to support local workforce development activities;

2.4.1.3. To ensure that workforce investment-development activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and

2.4.1.4. To develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

2.4.2. Convene local workforce development system stakeholders to assist in the development of the local workforce development plan and in identifying non-Federal expertise and resources to leverage support for workforce development activities.

2.4.3. Develop and submit a local workforce development plan to the Governor.

~~2.4.3.~~2.4.4. Collaborate with Regional Planning Unit to develop and submit a regional plan to the Governor.

Comment [LM3]: 679.370(b) final; only proposed when bylaws were approved

~~2.4.4.~~2.4.5. Designate or certify one-stop operators, consistent with Title 1 of the Act.

~~2.4.5.~~2.4.6. Award grants or contracts to eligible providers of youth activities in the local area on a competitive basis, consistent with the Act

~~2.4.6.~~2.4.7. Identify, consistent with Title 1 of the Act, eligible providers of training services in the local area.

~~2.4.7.~~2.4.8. Identify eligible providers of career services and, when the one-stop operator does not provide career services to the local area, award contracts to those providers.

~~2.4.8.2.4.9.~~ Coordinate with the State to ensure that there are sufficient numbers and types of providers of career services and training services serving the local area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities, consistent with the Act.

~~2.4.9.2.4.10.~~ Oversee programs ~~including~~including:

~~2.4.9.1.2.4.10.1.~~ Conduct oversight for local youth workforce development activities, local employment and training activities, and the one stop delivery system in the local area;

~~2.4.9.2.2.4.10.2.~~ Ensure the appropriate use and management of funds for the local youth workforce development activities, local employment and training activities, and one-stop delivery system; and

~~2.4.9.3.2.4.10.3.~~ Ensure the appropriate use, management, and investment of funds to maximize performance outcomes related to workforce development activities.

2.4.11. Negotiate with the Governing Body and the Governor on local performance measures for the local area.

2.4.12. Negotiate with the Governing Body and required partners on the methods for funding the infrastructure costs of the one-stop centers in the local area.

Comment [LM4]: 679.370(k) final; only proposed when bylaws were approved

~~2.4.10.2.4.13.~~ Conduct research, data collection, and analyses to assist in the development and implementation of the local workforce development plan, including, but not limited to:

~~2.4.10.1.2.4.13.1.~~ Analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities in the region;

~~2.4.10.2.2.4.13.2.~~ Assist in the development of a statewide workforce and labor market information system by the collection, analysis, and utilization of workforce and labor market information for the region; and

~~2.4.10.3.2.4.13.3.~~ Conduct other research, data collection, and analysis as necessary as determined by the WDB.

~~2.4.11.2.4.14.~~ Lead efforts to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, especially individuals with barriers to employment.

~~2.4.12.2.4.15.~~ Lead efforts in the local area to:

| ~~2.4.12.1.2.4.15.1.~~ Identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers in the local workforce development system; and

| ~~2.4.12.2.2.4.15.2.~~ Identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs, including providing physical and programmatic accessibility.

| ~~2.4.13.2.4.16.~~ Develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by:

| ~~2.4.13.1.2.4.16.1.~~ Facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;

| ~~2.4.13.2.2.4.16.2.~~ Facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas;

| ~~2.4.13.3.2.4.16.3.~~ Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system; and

| ~~2.4.13.4.2.4.16.4.~~ Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

| ~~2.4.14.2.4.17.~~ Coordinate activities with education and training providers in the local area.

| ~~2.4.15.2.4.18.~~ Develop a budget for the purpose of carrying out the duties of the WDB, consistent with the local workforce development plan, subject to the approval of the Governing Body.

| ~~2.4.16.2.4.19.~~ Annually assess the physical and programmatic accessibility of all one-stop centers in the local area.

2.5. The WDB, in order to carry out its functions:

2.5.1. May designate standing committees to provide information and assist the WDB in carrying out its activities.

2.5.2. May employ additional staff to carry out the functions of the WDB, consistent with Act.

2.5.3. May solicit and accept contributions and grant funds from other sources.

2.5.4. Shall not provide training services unless the Governor grants a written waiver of this provision.

2.5.5. Shall not provide career services or be designated or certified as a one-stop operator without the agreement of the Governing Body and the Governor.

ARTICLE III MEMBERSHIP

3.1. Pursuant to provisions authorized by the Act, the Governing Body has established the initial membership and structure of the WDB, and appoints/reappoints new members to the WDB. Changes to the initial structure shall maintain business representation at a minimum of 51% of total membership. Should such business representation drop below 51%, recruitment will immediately go into effect.

3.2. The Governing Body has determined that the WDB shall be a maximum of 26 members, who are comprised of the following:

3.2.1. **Business Representatives:** At least 51% of the members shall be representatives from the business community (a) appointed from among individuals nominated by local business organizations and business trade associations; (b) chief executive officers, chief operating officers, or owners of businesses, or other business executives or employers with optimum policy making or hiring authority; and (c) from businesses or organizations, including small businesses, that provide employment opportunities that include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area. ~~The WDB shall endeavor to recruit and secure representatives of local small businesses as WDB members. At a minimum, two members must represent small business as defined by the U.S. Small Business Administration.~~

Comment [LM5]: TEGL 27-14 mandates 2 representatives

3.2.2. **Workforce Representatives:** At least 20% of WDB members shall be representatives of the workforce within the local area; and

3.2.2.1. Of those, at least 15% of the WDB members shall be representatives of labor organizations unless the local labor federation fails to nominate enough members; labor organization representatives shall include:

(A) representatives of labor organizations who have been nominated by local labor federations or other representatives of employees;

(B) a member of a labor organization or a training director from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of an apprenticeship program in the area, if such a program exists.

3.2.2.2. The remaining Workforce Representatives may include representatives of community-based organizations serving populations with barriers to employment, including organizations that serve veterans and individuals with disabilities; and may include representatives of organizations that address the employment, training, or education needs of youth, including out-of-school youth.

3.2.3. **Education and Training Representatives:** At least two (2) members that are representatives of entities administering education and training activities in the local area; and

3.2.3.1. shall include a representative of eligible providers administering adult education and literacy activities pursuant to the Act;

3.2.3.2. shall include a representative of institutions of higher education providing workforce development activities; and

3.2.3.3. may include representatives of local educational agencies, and of community-based organizations that address the education or training needs of individuals with barriers to employment.

3.2.4. **Governmental Representatives:** At least three (3) members that are representatives of governmental and economic and community development entities serving the local area; and

3.2.4.1. shall include a representative of economic and community development entities; and

3.2.4.2. shall include an appropriate representative from the State employment service office under the Wagner-Peyser Act;

3.2.4.3. shall include an appropriate representative of the programs carried out under Title 1 of the Rehabilitation Act of 1973;

3.2.4.4. may include representatives of agencies or entities administering programs serving the local area relating to transportation, housing, and public assistances; and

3.2.4.5. may include representatives of philanthropic organizations serving the local area.

3.2.5. Members can act as representatives to more than one of the sectors identified above.

3.2.6. May include such other individuals or representatives of entities as the Governing Body may determine to be appropriate.

3.3. Terms of Appointment. WDB members shall serve for fixed terms; term lengths shall be for four years from the July 1st immediately preceding the appointment/re-appointment date. All WDB terms shall expire on June 30th, except that members may continue to serve after the end of their term until a successor is appointed.

Initial WDB membership was approved on February 6, 2016, and established staggered terms to balance membership expiration dates.

Comment [LM6]: 379.310(g)(2)

3.3.3.4 Resignations. Any WDB member may resign by submitting written notice to the WDB Chairperson.

3.4.3.5 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.

Comment [LM7]: Proposed changes by EC/WDB

“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 reviewed for vacant vacancy by the WDB, and will result in automatic possible recommendation for removal.

3.6. Notification & Recruitment Process. Upon a vacancy on the Workforce Board, Golden Sierra support staff will utilize approved policy to initiate notification and recruitment steps.

Comment [LM8]: 679.310(g)(3)

3.5.3.7 Designation of Proxy. At the first meeting of each fiscal year, WDB members may designate a proxy to cast votes on their behalf in their absence. Changes to the proxy designation at any other time throughout the year shall be made in writing to the Chairperson at least seventy-two (72) hours prior to the scheduled Board meeting at which the newly-designated proxy is intended to cast a vote on behalf of an absent Board Member. All proxies shall self-certify, in writing, their compliance with 20 C.F.R. 679.110(d)(4) and 20 C.F.R. 679.320 prior to casting any vote.

Comment [LM9]: 679.110(d)(4) & 679.310(g)(4). Self-Certification will allow for verification that designee is from same organization and has hiring and policy-making authority as outlined in regs.

ARTICLE IV OFFICERS

4.1. The presiding officers of the WDB shall be called Chairperson and Vice Chairperson and shall have two year terms of office beginning July 1st of each even year and ending on June 30th, two years later.

4.2. The WDB shall elect, by majority vote of the WDB members present, its Chairperson and Vice Chairperson. Election shall occur prior to July 1st of each two-year office. The WDB Chairperson and Vice Chairperson shall be from its business sector representatives, and they may succeed themselves if so reelected.

4.2.1. Nominating Committee. No later than March of each election year, a nominating committee shall be appointed by the Chairperson.

The committee shall consist of the Chairperson and three WDB members with as many counties being represented as possible.

With the exception of the Chairperson, nNo WDB member who wishes to run for election shall sit on the nominating committee.

Comment [LM10]: Current Chairperson has historically recused themselves from the nomination committee if nominated

4.2.2. Duties of the Nominating Committee. The nominating committee shall poll WDB members for prospective nominees.

It shall be the duty of the nominating committee to interview each of the candidates prior to placing their names on the ballot and secure their pledges to serve faithfully if elected.

At least twenty (20) calendar days prior to the WDB meeting where elections are to occur, the committee shall mail a list of all nominees to each WDB member.

The nominating committee shall then present names to the WDB no later than June of each election year.

4.2.3. Elections. All voting to elect officers of the WDB shall be by open vote and the ballot shall list nominees by officer position in an order drawn randomly.

The WDB shall elect officers by majority vote of the WDB members present.

4.3. In the absence of the Chairperson, the elected Vice Chairperson shall serve as the presiding officer. In the absence of both the Chairperson and Vice Chairperson, the WDB shall, at the beginning of its meeting, designate by majority vote of the WDB members present, a Chairperson Pro-Tem to serve as presiding officer of that meeting.

4.4. The Chairperson shall have the responsibility of preparing the agenda for WDB meetings.

ARTICLE V MEETINGS AND QUORUMS

5.1. The WDB shall meet at a minimum of four (4) times annually ~~on a calendar quarterly basis.~~

Comment [LM11]: Not necessary

5.2. Special meetings of the WDB may be called by the WDB Chairperson or by a majority of WDB members.

5.3. All meetings of the WDB shall be conducted and noticed in conformance with the Ralph M. Brown Act, California Government Code 54960 et seq., as amended (the "Brown Act").

5.4. Notice of all meetings of the WDB shall be given by any means reasonably calculated at least seventy-two (72) hours before the meeting. Notices of meetings shall advise WDB members of the general nature of business to be transacted at such meeting.

5.5. A quorum to conduct business of the regular WDB shall require a majority of the WDB members present both in person or by teleconference connection, consistent with the provisions of the Brown Act.

5.6. Each member of the WDB shall have one vote.

5.7. Action may be taken by a majority vote of the WDB members present, unless otherwise required by law.

5.8. The WDB in all its actions and meetings shall be governed by the Act and these Bylaws.

ARTICLE VI COMMITTEES

6.1. Committee definitions:

6.1.1. Standing Committee. Composed of less than a quorum of the full board, include non-WDB members, have a continuing subject matter, meeting schedule is fixed by formal action, and is subject to Brown Act requirements.

6.1.2. Ad-Hoc Committee. Comprised solely of less than a quorum of the full WDB, has a limited or single purpose, is not perpetual, is dissolved once the specific task is completely, and is not subject to Brown Act requirements.

~~6.1.6.2.~~ The WDB Chairperson, with the approval of the WDB, shall create committees of the WDB.

~~6.2.6.3.~~ The WDB Chairperson shall appoint committee chairpersons from the WDB membership.

~~6.2.1.6.3.1.~~ Committee chairpersons must be WDB members

~~6.3.6.4.~~ Committee members shall be appointed by the WDB Chairperson, with the approval of the WDB.

~~6.3.1.6.4.1.~~ Committees may include WDB members.

~~6.3.2.6.4.2.~~ Committees shall be supplemented by non-WDB members who the WDB has determined have the appropriate experience and expertise.

~~6.4.6.5.~~ With the exception of the Executive Committee, all committee members, both WDB and non-WDB membership, have equal voting rights.

6.6. Action may be taken by a WDB committee by an affirmative majority vote of the current committee members present, unless otherwise required by law.

~~6.5.6.7.~~ Action may be taken by a majority vote of the WDB members present, unless otherwise required by law

~~6.6.6.8.~~ All actions of a WDB committee shall be advisory to the full WDB, unless the full WDB has expressly delegated “final authority” to a given committee on a given issue or matter.

6.7. The WDB Chairperson, with the consent of the WDB, shall also be able to create and appoint task forces or technical workgroups as needed.

Comment [LM12]: Board proposed allowing Chair to appoint 6-16-16 EC minutes; legal counsels interpretation of 679.360 is that WDB must approve. Rewritten to be consistent with 6.2.

Comment [LM13]: Updated to be consistent with 5.7

~~6.8. All committees, task forces or technical workgroups appointed or created by the WDB, are considered under the Brown Act to be “legislative bodies” and are therefore subject to Brown Act requirements.~~

Comment [LM14]: Clarified in 6.1, and appointment outlined in 6.2.

6.9. The WDB shall have one standing committee:

6.9.1. Executive Committee. The Executive Committee shall consist of ~~five (5)~~ six (6) voting members: WDB Chairperson, Vice Chairperson, ~~and~~ three (3) additional WDB members, one of which shall be from the business community, and one (1) non-WDB as identified in 6.3.2. The Golden Sierra Executive Director shall sit as an ex-officio ~~non-voting member~~ of the Executive Committee, and will not be used in determining the existence of a quorum. The WDB Chairperson may also invite WDB committee chairpersons to participate in Executive Committee meetings as non-voting members. The membership term shall be the same as the chair term.

Comment [LM15]: Per legal counsel input

The function of the Executive Committee shall be to coordinate the establishment and content of WDB agendas, proposals, communications to and from the Governing Body, review and make recommendations on workforce board membership to the Governing Body, and other supportive activities and functions as may be directed by the WDB or the Governing Body.

The Executive Committee may exercise the powers of the full WDB when timely action is necessary to ensure the best interest of the WDB, its program and services.

All Executive Committee actions shall be reported to the WDB at its next meeting.

ARTICLE VII STAFFING AND SUPPORT OF WDB

7.1. The Governing Body shall be asked to provide, from funds made available under the Act, Golden Sierra support staff and necessary office and material support for the WDB.

7.2. Golden Sierra support staff assigned to WDB responsibilities shall coordinate WDB activities with the WDB Chairperson. Notwithstanding the foregoing, such staff shall remain Golden Sierra employees at all times.

7.3. The Governing Body and WDB will maintain the consolidated office and material support necessary for both to properly discharge their responsibilities under the Act.

7.4. Authority for any decision to hire, evaluate, or discharge any staff assigned to the WDB shall rest with the Governing Body.

7.5. The WDB shall not directly operate programs.

ARTICLE VIII CONFLICT OF INTEREST

8.1. A WDB and/or committee member shall recuse him or herself from making, participating in making, or in any way attempting to use his or her official position to influence a decision of any matter which would financially benefit such member or his/her immediate family member or any organization such member represents. Such member must declare his or her conflicts for the official record.

8.2. WDB members shall avoid organizational conflict of interest, and they and their personnel, employees, or agents shall avoid personal conflict of interest or appearance of conflict of interest in awarding financial assistance, and in the conduct of procurement activities involving funds under the Act.

8.3. Members of the WDB shall comply with the California Political Reform Act of 1979 (commencing with Section 87300 of Chapter 7, Title IX, of the California Government Code) and any other conflicts of interest or financial disclosure requirements which the State may require.

ARTICLE IX AMENDMENTS

9.1. Amendments to these Bylaws may be approved by an affirmative majority vote of the WDB members at any regular meeting of the WDB; provided however, that the amendments proposed had been submitted in writing at the previous regular meeting or included in the call to the meeting. Amendments proposed to these Bylaws must be received by the WDB membership no less than seventy two (72) hours prior to their consideration by the WDB.

9.2. To take effect, amendments to these Bylaws must also have concurrence by an affirmative majority vote of the Governing Body.

ARTICLE X EFFECTS

10.1. These Bylaws shall become effective upon adoption by an affirmative majority vote of the WDB and the Governing Body, and shall remain in effect, as amended by Article IX above, until dissolution of the WDB and/or the Governing Body.

10.2. In any conflict arising between the provisions of the Act, applicable State law, and or other implementing regulations, the legal provisions of law and regulations shall prevail, except as these Bylaws represent allowable discretion by the Governing Body and the WDB in interpretation and implementation of law and regulation.

[signatures on following page]

APPROVED/ACCEPTED:

APPROVED/ACCEPTED:

Susan "Tink" Miller~~Rick Larkey~~, Chairperson
Golden Sierra Workforce Development Board

Kirk Uhler, Chairperson
Golden Sierra Governing Body

Date: _____

Date: _____

**GOLDEN SIERRA WORKFORCE DEVELOPMENT BOARD
BYLAWS AS AMENDED APRIL 4, 2018**

These Bylaws are hereby created by the Golden Sierra Workforce Development Board (formerly referred to as “Workforce Investment Board” or “WIB”) and the Governing Body of the Golden Sierra Job Training Agency (“Governing Body”).

RECITALS

- A. The Counties of Alpine, El Dorado, and Placer have created the Golden Sierra Job Training Agency, herein referred to as “Golden Sierra,” a joint powers agreement, to administer workforce development programs within their boundaries.
- B. The Governing Body consists of three members, i.e., one chief elected official from each of the Boards of Supervisors of Alpine, El Dorado, and Placer Counties.
- C. The State of California, pursuant to the Workforce Innovation and Opportunity Act of 2014, 29 U.S.C. § 3101 *et seq.* (which supersedes the Workforce Investment Act of 1998, 29 U.S.C. § 2801 *et seq.*), hereinafter called the “Act,” has designated the Golden Sierra Job Training Agency as a “Workforce Development Area” (formerly a “Workforce Investment Area”) for the system building and delivery of workforce development programs at the local level, and provides funding thereto.
- D. The State and Federal rules and regulations promulgated pursuant to the Act provide for program activities and require that the Governing Body establish the Workforce Development Board, to be as follows:

**ARTICLE I
NAME**

The name of this body shall be the Golden Sierra Workforce Development Board, hereinafter referred to as the “WDB.”

**ARTICLE II
PURPOSE AND FUNCTION**

2.1. The purpose of the WDB, in partnership with the Governing Body, shall be to establish and oversee the workforce development system for the Counties of Alpine, El Dorado, and Placer.

2.2. 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.

2.3. 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 and workforce needs.

2.4. It shall be the duty of the WDB to do all of the following:

2.4.1. Engage with a diverse range of employers, and with entities in the region:

2.4.1.1. To promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the WDB;

2.4.1.2. To develop effective linkages with employers in the region to support employer utilization of the local workforce development system and to support local workforce development activities;

2.4.1.3. To ensure that workforce development activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and

2.4.1.4. To develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

2.4.2. Convene local workforce development system stakeholders to assist in the development of the local workforce development plan and in identifying non-Federal expertise and resources to leverage support for workforce development activities.

2.4.3. Develop and submit a local workforce development plan to the Governor.

2.4.4. Collaborate with Regional Planning Unit to develop and submit a regional plan to the Governor.

2.4.5. Designate or certify one-stop operators, consistent with Title 1 of the Act.

2.4.6. Award grants or contracts to eligible providers of youth activities in the local area on a competitive basis, consistent with the Act

2.4.7. Identify, consistent with Title 1 of the Act, eligible providers of training services in the local area.

2.4.8. Identify eligible providers of career services and, when the one-stop operator does not provide career services to the local area, award contracts to those providers.

2.4.9. Coordinate with the State to ensure that there are sufficient numbers and types of providers of career services and training services serving the local area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities, consistent with the Act.

2.4.10. Oversee programs including:

2.4.10.1. Conduct oversight for local youth workforce development activities, local employment and training activities, and the one stop delivery system in the local area;

2.4.10.2. Ensure the appropriate use and management of funds for the local youth workforce development activities, local employment and training activities, and one-stop delivery system; and

2.4.10.3. Ensure the appropriate use, management, and investment of funds to maximize performance outcomes related to workforce development activities.

2.4.11. Negotiate with the Governing Body and the Governor on local performance measures for the local area.

2.4.12. Negotiate with the Governing Body and required partners on the methods for funding the infrastructure costs of the one-stop centers in the local area.

2.4.13. Conduct research, data collection, and analyses to assist in the development and implementation of the local workforce development plan, including, but not limited to:

2.4.13.1. Analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities in the region;

2.4.13.2. Assist in the development of a statewide workforce and labor market information system by the collection, analysis, and utilization of workforce and labor market information for the region; and

2.4.13.3. Conduct other research, data collection, and analysis as necessary as determined by the WDB.

2.4.14. Lead efforts to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, especially individuals with barriers to employment.

2.4.15. Lead efforts in the local area to:

2.4.15.1. Identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers in the local workforce development system; and

2.4.15.2. Identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs, including providing physical and programmatic accessibility.

2.4.16. Develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by:

2.4.16.1. Facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;

2.4.16.2. Facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas;

2.4.16.3. Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system; and

2.4.16.4. Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

2.4.17. Coordinate activities with education and training providers in the local area.

2.4.18. Develop a budget for the purpose of carrying out the duties of the WDB, consistent with the local workforce development plan, subject to the approval of the Governing Body.

2.4.19. Annually assess the physical and programmatic accessibility of all one-stop centers in the local area.

2.5. The WDB, in order to carry out its functions:

2.5.1. May designate standing committees to provide information and assist the WDB in carrying out its activities.

2.5.2. May employ additional staff to carry out the functions of the WDB, consistent with Act.

2.5.3. May solicit and accept contributions and grant funds from other sources.

2.5.4. Shall not provide training services unless the Governor grants a written waiver of this provision.

2.5.5. Shall not provide career services or be designated or certified as a one-stop operator without the agreement of the Governing Body and the Governor.

ARTICLE III MEMBERSHIP

3.1. Pursuant to provisions authorized by the Act, the Governing Body has established the initial membership and structure of the WDB, and appoints/reappoints new members to the WDB. Changes to the initial structure shall maintain business representation at a minimum of 51% of total membership. Should such business representation drop below 51%, recruitment will immediately go into effect.

3.2. The Governing Body has determined that the WDB shall be a maximum of 26 members, who are comprised of the following:

3.2.1. **Business Representatives:** At least 51% of the members shall be representatives from the business community (a) appointed from among individuals nominated by local business organizations and business trade associations; (b) chief executive officers, chief operating officers, or owners of businesses, or other business executives or employers with optimum policy making or hiring authority; and (c) from businesses or organizations, including small businesses, that provide employment opportunities that include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area. At a minimum, two members must represent small business as defined by the U.S. Small Business Administration.

3.2.2. **Workforce Representatives:** At least 20% of WDB members shall be representatives of the workforce within the local area; and

3.2.2.1. Of those, at least 15% of the WDB members shall be representatives of labor organizations unless the local labor federation fails to nominate enough members; labor organization representatives shall include:

(A) representatives of labor organizations who have been nominated by local labor federations or other representatives of employees;

(B) a member of a labor organization or a training director from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of an apprenticeship program in the area, if such a program exists.

3.2.2.2. The remaining Workforce Representatives may include representatives of community-based organizations serving populations with barriers to employment, including organizations that serve veterans and individuals with disabilities; and may include representatives of organizations that address the employment, training, or education needs of youth, including out-of-school youth.

3.2.3. **Education and Training Representatives:** At least two (2) members that are representatives of entities administering education and training activities in the local area; and

3.2.3.1. shall include a representative of eligible providers administering adult education and literacy activities pursuant to the Act;

3.2.3.2. shall include a representative of institutions of higher education providing workforce development activities; and

3.2.3.3. may include representatives of local educational agencies, and of community-based organizations that address the education or training needs of individuals with barriers to employment.

3.2.4. **Governmental Representatives:** At least three (3) members that are representatives of governmental and economic and community development entities serving the local area; and

3.2.4.1. shall include a representative of economic and community development entities; and

3.2.4.2. shall include an appropriate representative from the State employment service office under the Wagner-Peyser Act;

3.2.4.3. shall include an appropriate representative of the programs carried out under Title 1 of the Rehabilitation Act of 1973;

3.2.4.4. may include representatives of agencies or entities administering programs serving the local area relating to transportation, housing, and public assistances; and

3.2.4.5. may include representatives of philanthropic organizations serving the local area.

3.2.5. Members can act as representatives to more than one of the sectors identified above.

3.2.6. May include such other individuals or representatives of entities as the Governing Body may determine to be appropriate.

3.3. Terms of Appointment. WDB members shall serve for fixed terms; term lengths shall be for four years from the July 1st immediately preceding the appointment/re-appointment date. All WDB terms shall expire on June 30th, except that members may continue to serve after the end of their term until a successor is appointed.

Initial WDB membership was approved on February 6, 2016, and established staggered terms to balance membership expiration dates.

3.4. Resignations. Any WDB member may resign by submitting written notice to the WDB Chairperson.

3.5. 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 reviewed for vacancy by the WDB, and possible recommendation for removal.

3.6. Notification & Recruitment Process. Upon a vacancy on the Workforce Board, Golden Sierra support staff will utilize approved policy to initiate notification and recruitment steps.

3.7. Designation of Proxy. At the first meeting of each fiscal year, WDB members may designate a proxy to cast votes on their behalf in their absence. Changes to the proxy designation at any other time throughout the year shall be made in writing to the Chairperson at least seventy-two (72) hours prior to the scheduled Board meeting at which the newly-designated proxy is intended to cast a vote on behalf of an absent Board Member. All proxies shall self-certify, in writing, their compliance with 20 C.F.R. 679.110(d)(4) and 20 C.F.R. 679.320 prior to casting any vote.

ARTICLE IV OFFICERS

4.1. The presiding officers of the WDB shall be called Chairperson and Vice Chairperson and shall have two year terms of office beginning July 1st of each even year and ending on June 30th, two years later.

4.2. The WDB shall elect, by majority vote of the WDB members present, its Chairperson and Vice Chairperson. Election shall occur prior to July 1st of each two-year office. The WDB Chairperson and Vice Chairperson shall be from its business sector representatives, and they may succeed themselves if so reelected.

4.2.1. Nominating Committee. No later than March of each election year, a nominating committee shall be appointed by the Chairperson.

The committee shall consist of the Chairperson and three WDB members with as many counties being represented as possible.

No WDB member who wishes to run for election shall sit on the nominating committee.

4.2.2. Duties of the Nominating Committee. The nominating committee shall poll WDB members for prospective nominees.

It shall be the duty of the nominating committee to interview each of the candidates prior to placing their names on the ballot and secure their pledges to serve faithfully if elected.

At least twenty (20) calendar days prior to the WDB meeting where elections are to occur, the committee shall mail a list of all nominees to each WDB member.

The nominating committee shall then present names to the WDB no later than June of each election year.

4.2.3. Elections. All voting to elect officers of the WDB shall be by open vote and the ballot shall list nominees by officer position in an order drawn randomly.

The WDB shall elect officers by majority vote of the WDB members present.

4.3. In the absence of the Chairperson, the elected Vice Chairperson shall serve as the presiding officer. In the absence of both the Chairperson and Vice Chairperson, the WDB shall, at the beginning of its meeting, designate by majority vote of the WDB members present, a Chairperson Pro-Tem to serve as presiding officer of that meeting.

4.4. The Chairperson shall have the responsibility of preparing the agenda for WDB meetings.

ARTICLE V MEETINGS AND QUORUMS

5.1. The WDB shall meet at a minimum of four (4) times annually.

5.2. Special meetings of the WDB may be called by the WDB Chairperson or by a majority of WDB members.

5.3. All meetings of the WDB shall be conducted and noticed in conformance with the Ralph M. Brown Act, California Government Code 54960 et seq., as amended (the "Brown Act").

5.4. Notice of all meetings of the WDB shall be given by any means reasonably calculated at least seventy-two (72) hours before the meeting. Notices of meetings shall advise WDB members of the general nature of business to be transacted at such meeting.

5.5. A quorum to conduct business of the regular WDB shall require a majority of the WDB members present both in person or by teleconference connection, consistent with the provisions of the Brown Act.

5.6. Each member of the WDB shall have one vote.

5.7. Action may be taken by a majority vote of the WDB members present, unless otherwise required by law.

5.8. The WDB in all its actions and meetings shall be governed by the Act and these Bylaws.

ARTICLE VI COMMITTEES

6.1. Committee definitions:

6.1.1. Standing Committee. Composed of less than a quorum of the full board, include non-WDB members, have a continuing subject matter, meeting schedule is fixed by formal action, and is subject to Brown Act requirements.

6.1.2. Ad-Hoc Committee. Comprised solely of less than a quorum of the full WDB, has a limited or single purpose, is not perpetual, is dissolved once the specific task is completely, and is not subject to Brown Act requirements.

6.2. The WDB Chairperson, with the approval of the WDB, shall create committees of the WDB.

6.3. The WDB Chairperson shall appoint committee chairpersons from the WDB membership.

6.3.1. Committee chairpersons must be WDB members

6.4. Committee members shall be appointed by the WDB Chairperson, with the approval of the WDB.

6.4.1. Committees may include WDB members.

6.4.2. Committees shall be supplemented by non-WDB members who the WDB has determined have the appropriate experience and expertise.

6.5. With the exception of the Executive Committee, all committee members, both WDB and non-WDB membership, have equal voting rights.

6.6. Action may be taken by a WDB committee by majority vote of the committee members present, unless otherwise required by law.

6.7. Action may be taken by a majority vote of the WDB members present, unless otherwise required by law

6.8. All actions of a WDB committee shall be advisory to the full WDB, unless the full WDB has expressly delegated “final authority” to a given committee on a given issue or matter.

6.9. The WDB shall have one standing committee:

6.9.1. Executive Committee. The Executive Committee shall consist of six (6) voting members: WDB Chairperson, Vice Chairperson, three (3) additional WDB members, one of which shall be from the business community, and one (1) non-WDB as identified in 6.3.2. The Golden Sierra Executive Director shall sit as an ex-officio non-voting member of the Executive Committee, and will not be used in determining the existence of a quorum. The WDB Chairperson may also invite WDB committee chairpersons to participate in Executive Committee meetings as non-voting members. The membership term shall be the same as the chair term.

The function of the Executive Committee shall be to coordinate the establishment and content of WDB agendas, proposals, communications to and from the Governing Body, **review and make recommendations on workforce board membership to the Governing Body**, and other supportive activities and functions as may be directed by the WDB or the Governing Body.

The Executive Committee may exercise the powers of the full WDB when timely action is necessary to ensure the best interest of the WDB, its program and services.

All Executive Committee actions shall be reported to the WDB at its next meeting.

ARTICLE VII STAFFING AND SUPPORT OF WDB

7.1. The Governing Body shall be asked to provide, from funds made available under the Act, Golden Sierra support staff and necessary office and material support for the WDB.

7.2. Golden Sierra support staff assigned to WDB responsibilities shall coordinate WDB activities with the WDB Chairperson. Notwithstanding the foregoing, such staff shall remain Golden Sierra employees at all times.

7.3. The Governing Body and WDB will maintain the consolidated office and material support necessary for both to properly discharge their responsibilities under the Act.

7.4. Authority for any decision to hire, evaluate, or discharge any staff assigned to the WDB shall rest with the Governing Body.

7.5. The WDB shall not directly operate programs.

ARTICLE VIII CONFLICT OF INTEREST

8.1. A WDB and/or committee member shall recuse him or herself from making, participating in making, or in any way attempting to use his or her official position to influence a decision of any matter which would financially benefit such member or his/her immediate family member or any organization such member represents. Such member must declare his or her conflicts for the official record.

8.2. WDB members shall avoid organizational conflict of interest, and they and their personnel, employees, or agents shall avoid personal conflict of interest or appearance of conflict of interest in awarding financial assistance, and in the conduct of procurement activities involving funds under the Act.

8.3. Members of the WDB shall comply with the California Political Reform Act of 1979 (commencing with Section 87300 of Chapter 7, Title IX, of the California Government Code) and any other conflicts of interest or financial disclosure requirements which the State may require.

**ARTICLE IX
AMENDMENTS**

9.1. Amendments to these Bylaws may be approved by an affirmative majority vote of the WDB members at any regular meeting of the WDB; provided however, that the amendments proposed had been submitted in writing at the previous regular meeting or included in the call to the meeting. Amendments proposed to these Bylaws must be received by the WDB membership no less than seventy two (72) hours prior to their consideration by the WDB.

9.2. To take effect, amendments to these Bylaws must also have concurrence by an affirmative majority vote of the Governing Body.

**ARTICLE X
EFFECTS**

10.1. These Bylaws shall become effective upon adoption by an affirmative majority vote of the WDB and the Governing Body, and shall remain in effect, as amended by Article IX above, until dissolution of the WDB and/or the Governing Body.

10.2. In any conflict arising between the provisions of the Act, applicable State law, and or other implementing regulations, the legal provisions of law and regulations shall prevail, except as these Bylaws represent allowable discretion by the Governing Body and the WDB in interpretation and implementation of law and regulation.

[signatures on following page]

APPROVED/ACCEPTED:

APPROVED/ACCEPTED:

Rick Larkey, Chairperson
Golden Sierra Workforce Development Board

Katherine Rakow, Vic Chairperson
Golden Sierra Governing Body

Date:_____

Date:_____

GOLDEN SIERRA WORKFORCE BOARD

SERVICE PROVIDER REPORT

Report Period: January/February 2018

Prepared By: El Dorado County (JW)

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Enrollments	Ten
<input checked="" type="checkbox"/>	New ITA Contracts	Eight new contracts were obligated . We have six participants attending training to become Commercial Electricians and two participants attending Truck Driving Training
<input checked="" type="checkbox"/>	New OJT Contracts	No new enrollments during this period.
<input checked="" type="checkbox"/>	New WEX Contracts	No new enrollments during this period.Two in the planning process.
<input checked="" type="checkbox"/>	Total One-Stop Visitors	1,158 customers visited the One Stop during this report period.
<input type="checkbox"/>	Unique One-Stop Visitors	

PROGRAM UPDATES

Youth On 1/17/18 WIOA staff met with the EDCOE Charter Community School principle and teacher regarding the development of a construction class. As a result of the meeting, the North State Building Foundation was contacted to set up a meeting with the class teacher and the principle to discuss support and resources. A meeting was established for March.

Adult Program staff have been coordinating/collaborating with the Lake Tahoe Community College Advance team to offer WIOA services in SLT. A result of this collaboration has lead to the enrollment of 2 adults in the DEA program with one client also being a Ticket to Work client. Jessica Conant/Golden Sierra Disability Specialist has been part of the process to ensure that unique DEA program elements are in place. Other potential WIOA appropriate clients are in process. Regular WIOA Office hours have been established at the Lake so that the community has regular access to WIOA information.

Dislocated Worker

Prop 39

Disability Employment Accelerator (Advance) Two new enrollments with plans for WEX positions are in process.

National Emergency Grant (SP-NEG)

EVENT PARTICIPATION

<u>Date</u>	<u>Event Name</u>	<u>Outcomes</u>
1/18/18	Career Connections Red Hawk Casino	Maintained and reported the by GS Business Services Representative
2/22/18	UC Davis	"

NOTEABLE OUTCOMES

Labor Exchange Services On 2/16/18 and 2/27/18- Meetings with the SLT Chamber, WIOA , ADVANCE and LTCC staff to plan a Spring Job Fair in SLT took place. This event is the result of a meeting between WIOA staff and the SLT Chamber where Chamber staff expressed a desire for two seasonal job fairs to meet the needs of local businesses. The Spring Job Fair is scheduled for May17, 2018.

Business Engagement El Dorado County WIOA staff have assisted the Golden Sierra Business Representative at locally planned Job Connections, approving Press Releases and other activities

Partner Engagement On 1/10/18 WIOA staff visited the Placer County Business Resource Center in Rocklin and WTW Prep Center: On 1/11/18 WIOA staff attended the regularly scheduled SLT ADVANCE Network Meeting outcomes of this meeting result in better coordination of services as well as deeper understanding of the services that are available in the community; Attended the monthly TCCTF on 1/22/18 and 2/26/18, community services that target Foster kids are discussed and planned at these monthly meetings; WIOA, AB 109 and Probation staff attended the Auburn CRT meeting for parolees and probationers with the idea of replicating this event in Placerville. After seeing how the CRT in Auburn was structured, local Placerville meetings were set up to discuss how this event would be replicated on the Western slope.

Service Delivery Strategies As described above, regular WIOA office hours have been established to better offer services in SLT. The following dates and times were scheduled in January and February: 1/9/18 from 11:00 - 2:00 at the SLT Employment Resource Center; 1/24/18 from 11:00 - 2:00 @ the SLT Library; 2/13/18 from 11:00-2:00 @ the SLT Library; 2/21/18 from 11:00 - 2:00 @ the Employment Resource Center.

WIOA Transition On 1/30/18 WIOA staff attended the Golden Sierra Technical Assistance Training; On 2/1/18 WIOA staff attended the LMI-NAIC/SOC code training; WIOA staff attended a Tech Forum offered at Sierra College in Rocklin on 2/9/18.

GOLDEN SIERRA WORKFORCE BOARD

SERVICE PROVIDER REPORT

Report Period: 01/01/17 – 02/28/18

Prepared By: Placer County (DG)

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Enrollments	24
<input checked="" type="checkbox"/>	New ITA Contracts	14 (Medical Front Office, Security Officer, Software Developer, MCSA)
<input checked="" type="checkbox"/>	New OJT Contracts	4 (3 Shop Support, 1 Team Assembler)
<input checked="" type="checkbox"/>	New WEX Contracts	0
<input checked="" type="checkbox"/>	Total One-Stop Visitors	1,530
<input type="checkbox"/>	Unique One-Stop Visitors	Unable to collect via CalJOBS; awaiting implementation of VOSGreeter

PROGRAM UPDATES

Youth Enrollments have been slow, but steady. Staff initiated new outreach plans for both participants and employers. Established goal to increase enrollments and identify appropriate work-based learning opportunities.

Adult There is a high-demand for occupational skills training. A number of quality referrals are coming from EDD, DOR, and Adult Education.

Dislocated Worker As the unemployment rate in Placer County continues to drop, fewer Dislocated Workers are seeking Title-I services from Golden Sierra. The agency opted to transfer Dislocated Worker funds to better serve the Adult population which includes priority groups such as low-income individuals.

Disability Employment Accelerator (Advance) The Ticket to Work outreach campaign launched in January and generated hundreds of leads. Enrollments increased to 11 (55% of goal). Project ends 12/31/18.

AB2060 The agency has applied for \$400,000 in additional funding to continue serving the re-entry population.

EVENT PARTICIPATION

<u>Date</u>	<u>Event Name</u>	<u>Outcomes</u>
01/20/18	Hiring Event: Eskaton	
02/21/18	What Career is Right for Me?	Offered a new, in-demand workshop series

NOTEABLE OUTCOMES

Labor Exchange Services Assisted multiple employers with job orders and on-site recruitment events.

Business Engagement Please see Business Engagement report for details.

Partner Engagement PREP agreed to provide in-kind office space for Golden Sierra to administer the AB2060 project. PCOE presented valuable staff development training on homelessness and food insecurity. Roseville Adult School offered a new career development workshop. Future partner meeting scheduled for 3/14/18.

Service Delivery Strategies In anticipation of the release of VOSGreeter, check-in procedures at the front desk of the comprehensive job center were modified to more accurately track customer traffic and reason for visit. Activity codes for various self-directed and staff-assisted services are now entered into CalJOBS.

WIOA Transition Staff is cooperating with the One-Stop Operator to complete the required certification process.

GOLDEN SIERRA CONSORTIUM

BUSINESS SERVICES AND RAPID RESPONSE REPORT

Report Period: 01/01/18 – 02/28/18

Prepared By: Business Engagement Team

ACTIVITY SUMMARY

<input checked="" type="checkbox"/>	New Placer Contacts	9
<input checked="" type="checkbox"/>	New El Dorado Contacts	7
<input checked="" type="checkbox"/>	New Alpine Contacts	1
<input checked="" type="checkbox"/>	New Job Orders Received	15
<input checked="" type="checkbox"/>	Total Active Job Orders	200+
<input type="checkbox"/>	Rapid Response Events	0 events; preparing to assist Toys R Us with store closures in March/April

EVENT PARTICIPATION

Date	Event Name	Outcomes
01/09/18	Presentation: U.S. Forest Service	50 job seekers attended
01/10/18	Hiring Event: The Gap	12 job seekers attended
01/18/18	Hiring Event: Red Hawk Casino	12 job seekers attended
02/14/18	Job Connections: Multiple Staffing Agencies	23 job seekers attended
02/22/18	Presentation: UC Davis Health	25 job seekers attended
02/27/18	Open Interviews: Aerotek	15 job seekers attended

ACTIVE JOB ORDER TRENDS

Hospitality and Tourism Hotel and food service businesses in South Lake Tahoe have numerous openings across all departments and skill levels. The Business Engagement Team worked closely with Harrah's, Harvey's, and Red Hawk Casino to fill open positions and recruit qualified candidates.

Retail EDD employment projections for 2014-2024 indicate there will be 12,720 job openings with a median hourly wage of \$11.29 for occupations within this industry cluster.

Health Care Services The Business Engagement Team is actively recruiting for multiple positions at Ponte Palmero. The demand for personal care aides and medical assistants continue to grow.

Information Technology No update to report at this time.

Construction We've noticed an increase in the number of job postings for project managers, HVAC contractors, landscape workers, and facilities maintenance. Local area home builders continue to comment on the shortage of skilled workers and specialty craft subcontractors.

Business and Financial Services Job postings in the this particular industry cluster are steady. Open job orders include financial advisors, operations managers, analysts, and tech writers.

Professional and Technical Services No update to report at this time.