



MINUTES

January 25, 2018

***Convened at Madera County Workforce Assistance Center - Conference Room
2037 W. Cleveland Avenue, Madera, CA 93637
(559) 662-4589***

PRESENT: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

ABSENT: Roger Leach

GUEST: Doug Sampson, Ken Price

OTHERS: Elaine Craig, Tracie Scott-Contreras, Jessica Roche, Gail Lopez, Maiknue Vang, Nicki Martin, Sarahi Cuellar

1.0 Call to Order

Meeting called to order by MCWIC Chair Debi Bray at 2:01

1.1 Pledge of Allegiance

2.0 Additions to the Agenda

None.

3.0 Public Comment

None.

4.0 Introductions and Recognitions

Roundtable introductions were made by all in attendance. Sarahi Cuellar was introduced. Sarahi is temporarily re-assigned to work closely with Nicki Martin.

5.0 Adoption of Board Agenda

Bob Carlson moved to adopt the agenda, seconded by Mattie Mendez.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

6.0 Consent Calendar

6.1 Consideration of approval of the Madera County Workforce Investment Corporation (MCWIC) meeting minutes – December 5, 2017

Lindsay Callahan moved to approve the minutes, seconded by Bob Carlson.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

7.0 Action Items

7.1 Consideration of approval to transition the 501c3 non-profit designation from the MCWIC to the Workforce Development Board (WDB) of Madera County to be effective July 1, 2018 with the WDB as the Corporate Board. Legal consultation services to be provided by Ken Price from Baker Manock & Jensen, PC.

Ken Price, Baker Manock Jensen, was present to provide information, as needed, to the Board on the transfer. Ken has served as Special Counsel to other Boards locally and in other states. Roundtable introductions were made. Ken has also worked with the Fresno Workforce Development Board. Fresno has an auxiliary 501c3 designation but also works under a joint powers authorities with the City and the County of Fresno. Many workforce areas are grappling with the same issues and questions as Madera. The ideal situation is having a Workforce Board that is incorporated or is subject to some other personality like a joint powers authority. Having both a Workforce Board and a separate Corporate Board is somewhat redundant. The trend is that Workforce Boards are consolidating into one legal entity. The Board expressed a concern that the process to transfer was brought to the Workforce Board before being brought to the MCWIC Board and that the information given to the 2 boards was not identical to each other. Staff clarified that the intent to taking the request to the Workforce Board served to gauge their interest in taking on the transfer. The transfer of the non-profit classification was discussed at the MCWIC's previous meeting during a discussion on Board Governance. The Board expressed their concern that there was not previous discussion with them on the transfer and that they would have preferred to be consulted beforehand. Discussions on Board Governance had only just begun and the Board would like to prepare and gather input and information on the transition and implementation to the Workforce Board in order to ensure that all governance and guidelines established are implemented and established before the transition. Ken stated that there is more ambiguity when there is a Workforce and Corporate board at the same time. Most corporate boards are collapsing into workforce boards and it makes sense for efficiency. It was clarified that the best way to describe the process is to modify the designation – not transfer it. Staff noted that it is possible that should the transfer go to the Workforce Board, members of the MCWIC would still have the opportunity to serve on the Workforce Board. A discussion was held as to how to proceed – disapprove or table. The Board expressed a desire to be more informed and involved in the process it will take for the change and would like to see a plan. Ken suggested that the item NOT be disapproved but tabled instead and wait until the Board has more information. The Board will form an ad hoc committee and will contact the Workforce Board in order to work cooperatively to work on gathering information and creating a plan for a possible transition. Debi Bray, Mattie Mendez and Lindsay Callahan will form the MCWIC ad hoc committee. Ken will be available to provide counsel as needed to the Board. The Board requested that they receive copies of the original and most current bylaws, the Workforce Board bylaws and the minutes for the December Workforce Board meeting. Debi Bray will contact the Workforce Board Chair to discuss their collaboration and a possible Workforce Board ad hoc committee. The ad hoc committee will work on this and report back to the Board. Debi suggested that it would be good to have Ken at a meeting a couple of times a year.

Lindsay Callahan moved to table the transfer until a future date, seconded by Mattie Mendez.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

7.2 Consideration of approval of the MCWIC Fiscal Year 2016-2017 Report of Independent Auditors and Financial Statements with Supplementary Information to be presented by Moss Adams LLP.

Doug Samson, Moss Adams, summarized the MCWIC audit report for the period ending 6/30/17. Doug's presentation emphasizes the roles and responsibilities of the auditors and the management which are noted in the first page after the table of contents. Because MCWIC expends \$750,000 or more in Federal funding, Federal funds had to be audited. The most important information on the summaries are the opinions. MCWIC received an unmodified, unqualified opinion which is what is most desired. The financial statements within the report were reviewed. The statement of functional expenses breaks expenses out by classification. The primary and largest expense to a non-profit is in salaries. The statement of cash flows shows how the operating activities and investing activities affect the cash balance. The footnotes at the end of the sections serve to provide a little more detail. There

were no significant changes in the footnotes disclosures. The supplemental information section is a review of federal funds. The schedule of grant expenditures gives a little more detail on WIOA grant expenses by natural classification and by program. The single audit report reviews the internal controls. Any finding on internal controls would be included in this report. The last report is for compliance with major Federal Program. Moss Adams has given a clean opinion on this report. A summary of Doug's presentation is contained on 1 page within the report – A Summary of Auditor's Results. The Board thanked and commended Staff and the auditors for their work.

Lindsay Callahan moved to approve, seconded by Robyn Smith.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

7.3 Consideration of approval of the MCWIC year to date financial reports for the quarter ending December 31, 2017.

The financials for the quarter ending 12/31/18 were reviewed. Allocations, expenditures and obligation information was provided by grant. Staff provided information from the Totals column for clarification. Expenses were represented in brackets. Obligations represent pending amounts and include items such as purchase orders for trainings, operations, rent etc. The allocation total on the document represents the total allocation for Madera but is not available on hand as cash is drawn down from the State as needed. Training balance is a separate line that allows staff to know how much funding is still available for participant trainings and related costs. SB734 requires that 20% of funds be set aside for training expenses and cannot be used for any other purposes. Projected staff costs are based on prior payrolls. Revenues received included federal funds as well as funds from grant and contracts. The total difference between revenues received and expenditures appears as a negative number as of 12/31/18 due to the fact that payroll had been processed and included in the quarter end figures but doesn't get paid until January and so the amount is eventually balanced out. The budget and financials are on track. EDD has moved into the building and has started making lease payments. Lease payments from the various Partners are slightly more than anticipated. MCWIC's portion is very close to what it was at the Yosemite Avenue building.

Bob Carlson moved to approve, seconded by Robyn Smith.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

7.4 Consideration of approval of the revised MCWIC bylaws to include term limits, board attendance criteria, board qualifications, board composition, Executive Director evaluation process and Board Authority.

This item was brought back to the Board from the previous meeting when it was tabled. The bylaws were reviewed and discussed at the previous meeting and the changes were made and provided for the Board's consideration. Section 4 mentions an employment agreement but staff clarified that there are no employment agreements in use. Previously, the biggest conversation was centered around section 4 (a) where there was wording that stated that the Board had authority to appoint and terminate staff, however, the bylaws were revised to state that the Board has authority over the Executive Director but not staff. The bylaws speaks to the roles of the Secretary and Treasurer as the Executive Director and the Fiscal Manager. The bylaws also indicate that the Secretary and Treasurer don't get a vote. This information can be found on pages 9 and 10. The Executive Director works at the will of the Board; the Treasurer does not. The Treasurer works under the authority of the Executive Director.

Bob Carlson moved to approve the bylaws as presented, seconded by Victor Gonzalez.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Victor Gonzalez, Mattie Mendez, Robyn Smith

8.0 Information Items

8.1 Grants/Projects Update

Information provided within the agenda packet.

8.2 MCWIC Climate Survey Update

The survey report was inadvertently left out of the packet but will be provided to the Board. Responses to the survey were mostly positive. Staff are working on creating a follow up survey that will ask for further input and suggestions from staff on some areas. Staff will provide the follow up results to the Board in future.

8.3 WDB Update

Information provided within the agenda packet.

8.4 WDB and Workforce Assistance Center Logo and Website Update

Information provided within the agenda packet.

8.5 2018 MCWIC Meeting Calendar

Information provided within the agenda packet.

9.0 Written Communication

None.

10.0 Open Discussion/Reports/Information

10.1 Committee Members

- *Mattie Mendez thanked Lindsay Callahan for all her work on Board Governance.*
- *Debi Bray would like to get an update on the youth program at the next meeting. Staff stated that there are quite a few participants on OJT and PWEX and will provide information at the next meeting.*

10.2 Staff

Tracie Scott-Contreras stated that Workforce received the Workforce Accelerator Fund grant. The funds will be used at the county jail and will provide services and create a mini-One Stop at the site. Staff and met with probation and jail staff to discuss the project.

11.0 Next Meeting

February 22, 2018

12.0 Adjournment

Bob Carlson moved to adjourn the meeting, seconded by Mattie Mendez. Meeting adjourned at 3:25 p.m.