



MINUTES

April 26, 2018

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

PRESENT: Debi Bray, Lindsay Callahan, Bob Carlson, Roger Leach, Mattie Mendez, Robyn Smith

ABSENT: Victor Gonzalez

GUEST:

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

1.0 Call to Order

Meeting called to order by Chair Debi Bray at 2:05 p.m.

1.1 Pledge of Allegiance

2.0 Additions to the Agenda

None.

3.0 Public Comment

None.

4.0 Introductions and Recognitions

Sarahi Cuellar, Workforce Assistant, introduced herself.

5.0 Adoption of Board Agenda

Bob Carlson moved to adopt the agenda, seconded by Roger Leach.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Roger Leach, Mattie Mendez, Robyn Smith

6.0 Consent Calendar

6.1 Consideration of approval of the Madera County Workforce Investment Corporation (MCWIC) meeting minutes – March 22, 2018

Lindsay Callahan moved to approve, seconded by Mattie Mendez. Roger Leach abstained due to his absence at the March 22nd meeting.

Vote: Approved – unanimous

Yes: Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Mattie Mendez, Robyn Smith
Abstain: Roger Leach

7.0 Action Items

7.1 Consideration of approval of the MCWIC year to date financial reports for the period ending March 31, 2018.

Staff provided financial reports for the period through March 31, 2018. Jessica Roche handed out revised budget balance document as that document provided previously didn't include the encumbrances (pg. 11). Also corrected on the revised document were a couple purchase orders for rent and telephone services that should have been cancelled. This caused the rent to appear overstated. The revised document removed the POs. Bob Carlson noted that the totals at the bottom of the Statement of Cash Flows report on page 8 have an equal dollar amount. Jessica explained that the balance amounts at the bottom of the report should match and that the detail within the document is what describes the activity for the month and year to date. Jessica provided 3 examples for templates which can be used for financial reports which can be used for future reports. Example 1 has very faint grey highlighted lines. Example 2 has ledger lines. Example 3 is a combination of the 2 examples. The lines and highlights don't show up on the PDF copies for the packets but separate printed handouts can be provided so that the lines are more visible if the Board prefers. The Board selected Example 2 for future use. Jessica will send the document separately so that the Board will receive the document in its correct, larger size. The Expenditure by general ledger was reviewed. The document is by grant. Fund 5330 was discussed and includes incorporated all Partner budget into the budget which increased the total as per the Board's request.

Bob Carlson moved to approve, seconded by Mattie Mendez.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Roger Leach, Mattie Mendez, Robyn Smith

7.2 Consideration of approval of the revised MCWIC non-exempt salary schedule to include the addition of the Workforce Analyst and Lead Business Services Specialist classification.

Staff are requesting approval for the addition of 2 positions – Business Services Lead and Workforce Analyst. The impact of the new positions to the budget will be reflected on the Operational Budget within agenda item 7.4. The salary amounts on the schedule do not reflect benefits with amount to approximately 28%. The salary schedule reflects the salaries for new hires to MCWIC and not those current employees who came over when MCWIC separated from the Madera County Office of Education (MCOE). Former MCOE employees salaries are on a different schedule/rate. The salary schedule presented does not depict the former MCOE staff salaries. Any new hires would be hired per the salary schedule being presented to the Board for approval. Staff requested input from the Board as to how to list and separate more clearly the difference in the 2 different groups of staff and their salaries. Some former MCOE employees receive stipends for being bilingual while new hires are not eligible. When necessary for the position, being bilingual is a requirement. Some current staff are eligible and receive a stipend for a cell phone as cell phone use is appropriate for their duties. Staff also maintain an Exempt salary schedule. The Exempt schedule has come to the Board previously but not for this agenda. It was suggested that staff break out non-exempt staff into a document that depicts the current, new hire schedule and another that depicts the second group of staff that were hired under the MCOE schedule. Staff will separate and exclude any reference of stipends on the current staff schedule as they are not eligible for any stipends. Staff noted that there are no guarantees for sustaining new hires as the budget and allocations for each local area differ from year to year. At this point in time, the budget is sound and can afford the hiring of the new positions. Some staff are also in a position that they are looking to retire within the next 18 months and new hires to replace more senior staff would be a lesser impact on the budget. The difference in salary between the Career and Business and the proposed Data Analyst came from previous listing for the position at the lower salary rate that didn't garner too much interest due to the pay. Staff researched the salary against the surrounding areas and found it to be competitive. Discussion held for various positions on the schedule. Staff who are hired for specific grants are notified at the time they are hired that the position is contingent on the grant and would end at the end of the grant. Grant based positions do not impact the budget as they are funded through the grants and are mandated by the grant. The Workforce Technician I and II are a series. New hires in the series come in as a I and gradually work up to a II which requires more detailed and technical work for eligibility. At this

time, there is no need to move a Technician to a II position. Staff hope that all Technician I staff will eventually reach a II level. Staff will revise the Organizational Chart to reflect the current positions and any vacant positions.

Mattie Mendez moved to approve, seconded by Bob Carlson.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Roger Leach, Mattie Mendez, Robyn Smith

7.3 Consideration of approval for reclassification of a current Business Specialist position to Lead Business Services Specialist.

The staff selected to be reclassified to the Lead position will see a slight increase to their salary and will have minimal impact on the budget. This person has been working with the organization for 14 years and is already doing many of the Lead duties. This person is the only one of the Business Specialists who is solely focused on business services and not involved with other projects or grants. The remaining Business Specialist are more hybrids and work on other assignments besides business services. This person is always willing and to take on additional duties when asked. The salary increase will be approximately \$400 from their current salary. This staff person came over with the organization from MCOE.

Robyn Smith moved to approve, seconded by Bob Carlson.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Roger Leach, Mattie Mendez, Robyn Smith

7.4 Consideration of approval of the revised Operational Budget for the period ending March 31, 2018 to include additional grant/contract funds.

The new positions are incorporated into the revised operational budget. The bottom of the budget document reflects revenue vs expenditures. The Merced grant zeroes out since it will be fully expended. \$110,000 of the \$115,000 for the Ex-offender grant will be carried over into the next fiscal year since those funds were only just recently received. Staff requested input from the Board as to how they wish to see the grant information on the documents provided. Tracie suggested that the date for the grants can be included in the heading. At the time when the organization were with MCOE, it was requested that documents reflect current amounts. Roger suggested that dates be provided for each grant as was mentioned by Tracie so that the Board could see if the grant went into the next year. Many grants require that funds be leveraged – many require 1-to-1 funding which requires a match. In those cases, funds are matched and paid through formula funds. Adjustments for these funds can be seen in the Adult, Dislocated Worker (DW) and/or Young Adult funding columns as well as the new position and reclassified staff position. The 3/22/18 budget was included for comparison against the revised operational budget. Revenue less expenditures per funding source was provided. Original budget provided contained a line labeled “available budget” to be determined was the Adult, DW and Rapid Response. Everything else is restricted. The balances at the end of the budget need to be looked at individually. Workforce areas are expecting a State waiver that will allow areas to forgo the requirement to expend 80% of formula funds. This will allow areas to carryover more funds into the next fiscal year. Carry over funds stay within the same category into the next fiscal year. Youth, Adult and DW are the only categories that are not restricted by a grant. Youth funds are currently at \$14,307 available for carryover or for use with the program. A prior document where the general ledger amounts are shown at the bottom show the projected balance amounts. This document and amounts shows a more accurate portrayal of possible carryover. The program never has surplus amounts. Carryover funds are possible but not surplus. Some funds are specific to projects and cannot be used in any other way. Those unexpended funds for specific projects will get recaptured. Funds for Rapid Response and layoff aversion usually had to be fully spend by the end of the fiscal year but the State has provided a waiver and will allow carryover of those funds. Portions of those funds can also be reserved for future use in order to plan for possible Rapid Response and layoff aversion services. The same process is used for OJTs. Amounts for those services for specific projects remain on the budget until the end of the fiscal year and skew the amounts of the documents. Lindsay stated that their organization uses a line on their budget as release-from-restricted. In some cases, do want to have a profit margin built into it. This

organization does need a reserve line. Jessica noted that we have a fund balance – restricted vs. non-restricted.

Roger Leach moved to approve, seconded by Lindsay Callahan.

Vote: Approved – unanimous

Yes: Debi Bray, Lindsay Callahan, Bob Carlson, Roger Leach, Mattie Mendez, Robyn Smith

8.0 Information Items

8.1 Workforce Development Board (WDB) of Madera County Update

Information provided within the agenda packet.

8.2 Grants/Projects Update

Information provided within the agenda packet. Staff will clean up this item and start a new document with the new fiscal year in July.

8.3 Program Update

Information provided within the agenda packet.

8.4 Follow Up on e-Voting

Information provided within the agenda packet. This item was brought to the board as a follow up from previous meeting discussions. E-voting was brought up as a result of the filing of the Form 990 from the previous meeting agenda. Staff were unable to find any reference to e-voting that would be allowable under the Brown Act. Teleconferencing would be allowed under the Brown Act as long as it is conducted as described in the Act. Teleconferencing would need to be noted on the agenda at the time it is posted. Roll call attendance would need to take place as well as during all voting. The Form 990 was submitted prior to being brought to the Board for their review due to its impending filing deadline. Lindsay Callahan suggested that rather than file before begin brought to the Board that in those instances an emergency meeting should be called. Staff reviewed the Form 990 language and the Form does not require Board approval but rather their review. Staff will ensure that the Board reviews the Form prior to its submittal in the future. Staff will clean up the language to reflect that the Board is approving the Form's submission and revise the Business policy and bring the policy to the Board for their consideration. Additional changes to the Business policy are also being made. The Board would like to see the changes in the policy as they occur.

8.5 Follow Up on Audit Committee

Staff could not find any references in the law that requires an audit committee. IRS requirements state that organizations MAY implement an audit committee but it is not a requirement. If the corporation were to meet a \$2 million dollar minimum amount in foundation corporate funds then those organizations SHALL have an audit committee but MCWIC does not meet that minimum threshold. The attorney recommends a committee but staff disagree. The committee would oversee the independent auditor and the audit. Lindsay Callahan suggested that a finance committee may be something to form before an audit committee. An audit committee would be a standing committee and may take on risk management analysis when not in the process of being involved in an audit. The Board elected to not adopt an audit at this time. Staff requested input as to how to move forward with the creation of future committees such as a Finance or Audit Committee. The Board felt that the finances as they are currently presented are acceptable and staff can come back for a discussion with the Board for creating committee as the need arises. Staff noted that committees are not addressed within the Bylaws and they would need to be revised to be included. Discussion held around nominating and electing a Secretary and a Treasurer from within the Board. Staff noted that the bylaws state that the Executive Director is the Secretary and the Fiscal Manager is the Treasurer and any changes to those roles would require a change to the bylaws. There are specific duties tied to those positions. The current bylaws do not name a position to the Secretary or Treasurer. Staff noted that the staff position of Executive Director as the Secretary and the Fiscal Manager as the Treasurer were put into place within an Action item on a Board agenda. These positions are not voting members.

8.6 Follow Up on Form 990 Process and Language

Staff will clean up the language around for the Form 990 to reflect that the Board will approve the submission of the Form and not approving the Form. This will match the IRS language.

8.7 Follow Up on Dollar/Percentage Amount for Line Item Adjustments to Budget

Current internal policy of an overall net change of more than \$5,000 requires that a budget revision be submitted to the Board. Line items of less than \$10,000 can be approved by the Fiscal Manager and Executive Director. Anything over \$10,000 across line items must be submitted to the Board for approval. There was a discussion at the last meeting to change the threshold as the Board thought these thresholds may be too low. \$5,000 was suggested by an auditor when MCWIC was a new business. The Board previously mentioned possibly using 10% as a threshold but that the amounts used would vary depending on the category that is being changed. Staff wanted clarification for what the Board prefers. Mattie suggested that 10% per grant may be acceptable. 10% per grant would be preferable to staff. Staff will bring this back to the Board for their consideration.

8.8 501c3 Non-profit Status Ad Hoc Committee Update

Information provided within the agenda packet. The ad hoc committee met this morning. A couple of Workforce Development Board members were absent. The Board requested that staff provide a more detailed update on the Ad Hoc committee at the next Board meeting.

8.9 MCWIC Climate Survey Update

Staff are aggregating the follow up survey and will provide the information at the next Board meeting.

9.0 Closed Session

Roger moved to move to closed session at 3:54 p.m., seconded by Bob Carlson.

9.1 Request for Closed Session: Public Employee Performance Evaluation Pursuant to Government Code 54957 – Title of Position: MCWIC Executive Director

Public session opened at 4:07 p.m. – no reportable actions taken.

10.0 Written Communication

None.

11.0 Open Discussion/Reports/Information

11.1 Committee Members

None.

11.2 Staff

None.

12.0 Next Meeting

May 24, 2018

13.0 Adjournment

Roger Leach moved to adjourn at 4:09 p.m., seconded by Mattie Mendez.