

ADOPTED
Monterey County Workforce Investment Board
OVERSIGHT COMMITTEE

Thursday, April 12, 2012, 8:30AM
Shoreline Conference Room, 249 10th Street, Marina, CA

Members Present: Mary Ann Leffel (Chair), Cesar Lara, Judith Profeta, Larry Silva and Brian Turlington

Members Absent: Al Davis (excused), Teresa Sullivan (excused), and Dr. Phoebe Helm (excused)

Staff Present: Jim Cook (Director, Economic Development Department), Joyce Aldrich (WIB Consultant), Marleen Esquerra (WIB Analyst) and Flor Galvan (WIB Staff)

Others: Rod Powell (OET), Lorena Garcia (Shoreline), Bernardine Johnson (Shoreline) and Rosie Chavez (Turning Point)

CALL TO ORDER/INTRODUCTIONS: Ms. Leffel called the meeting to order at 8:40am. She welcomed those in attendance and called for introductions. A quorum was established.

CHANGES TO AGENDA: None

PUBLIC COMMENT: None

CONSENT CALENDAR:

C-1: Approve the minutes of the February 24, 2012 Oversight Committee meeting.

Motion: Mr. Turlington

Second: Mr. Silva

Motion Passed Unanimously

BUSINESS MEETING:

1. Information: Receive a response to the questions raised at the Oversight Committee Meeting on February 24, 2012.

Ms. Aldrich responded to the questions raised by the members at the previous Oversight Committee meeting, as follows:

- **MEMBER ATTENDANCE:** The attendance roster has been updated to reflect the excused absences. Members with 60% of unexcused absences will be asked to resign from the WIB.
- **RESOLUTION OF LOCAL MONITORING ISSUES and RESOLUTION OF STATE AND FEDERAL MONITORING ISSUES:** Ms. Aldrich advised that Ms. Esquerra is currently conducting Adult, Dislocated Worker and Rapid Response program monitoring of the Office for Employment Training (OET) programs with an exit interview scheduled for April 13, 2012. A draft monitoring report will be sent to OET with 15 days to respond to any findings and/or observations. Ms. Aldrich does not anticipate OET will have any local findings. However, a draft monitoring report with the results of the WIB staff program monitoring review will be provided to the Oversight Committee at their next meeting.
- **STATE PERFORMANCE OUTCOMES RELATE TO LOCAL PERFORMANCE OUTCOMES:** Ms. Aldrich informed the committee that the WIB negotiates local performance measures with the State. However, the WIB has been unable to negotiate with the State for several years. The only challenge for Monterey County in Program Year 2011-12 is meeting the entered employment rate standard in which the local workforce investment area has fallen slightly below the 80% performance goal. Based on Senate Bill 698, standards for certification of high-performance local workforce investment boards will be established. As a result, the Monterey County WIB will have a responsibility to ensure all local performance goals are met or it's anticipated that the WIB will be ineligible to apply for any discretionary funds. WIB staff is currently working with the program operators to ensure this will not be an issue or challenge.

Mr. Silva questioned the State performance levels. Ms. Aldrich explained the State performance outcomes are an average of all 49 local workforce investment areas. Mr. Silva also questioned the 188% success rate for Literacy / Numeracy Gains. Ms. Aldrich responded that the State mandates that 40% of youth participants who are basic skills deficient must increase their English, Math and Reading skill sets and our local area exceeded that goal by 75%.

Ms. Aldrich advised that our local area has to meet the 80% benchmark on the Adult entered employment rate performance level. Ms. Profeta asked why our average income is much lower than the State average and Ms. Aldrich advised because of the industries in our County is primarily agriculture.

- **NUMBER OF PEOPLE WHO GOT UNSUBSIDIZED JOBS UPON EXIT FROM THE SYSTEM:** Mr. Cook stated that WIB staff analyzed why our local area is not meeting the 80% minimum performance requirements on Adult participants entering employment upon exit from our system. WIB staff was informed by OET that they do not provide follow-up services after an adult and/or dislocated worker exits their program. After a participant exits the WIA program, OET uses the Base Wage File information reported by the State to verify employment and earnings. Mr. Powell agreed and explained how follow-up is very complex and work intensive and that most participants are difficult to reach. Ms. Leffel shared an example in another workforce area where the employer was mandated to provide information to the contractor concerning the job placement status of the participant thereby the contractor did not have to follow-up with the participant. She stated this process is very successful. Ms. Aldrich said that a policy could be discussed with subcontractors where the employer is required to follow-up even after the OJT contract is complete.

2. Information: Update on current and pending State and Federal monitoring of Monterey County's local workforce investment system. Ms. Aldrich advised the committee of several audits that recently took place over the last month. On March 5-9, 2012, the State's WIA 85% fiscal and procurement monitoring was completed. Although initial information suggested there were no findings, Ms. Aldrich received a draft report on April 11, 2012 with two minor findings related to the recruitment of the Economic/WIB Executive Director and the dollars that were allocated out of WIA. An estimated total of \$3,000 may potentially be adjusted. The WIB has 25 days to respond or correct the findings. Local monitoring of OET's WIA 85% Adult and Dislocated Worker programs is currently being conducted by WIB analyst Ms. Esquerra which started on April 9, 2012. In September, we anticipate being audited by the State for the same programs. An audit exception was requested concerning the Governor's Gang Reduction, Intervention and Prevention (CalGRIP) grant and two incident reports submitted to the State last year regarding participant eligibility, a layoff aversion contract and conflict of interest of a WIB member. An audit evaluation was completed and a draft report will be submitted in May or June of 2012 which will be provided to the Oversight Committee at the next meeting. An audit is scheduled for April 20, 2012 by the Department of Labor concerning the National Emergency Grant (NEG)-On-the-Job Training (OJT) project that Shoreline and OET are working on.

3. Information: Receive a report on WIA Title I Adult and Dislocated Worker program providers for PY 2011-12. Ms. Esquerra presented an update on Shoreline, Turning Point and OET's program performance. As of March 20, 2012, Shoreline is currently at 77% of meeting their total enrollment goal and 97% of meeting their total OJT enrollment goal. Many of the participants have been placed in the healthcare, building/design, hospitality/tourism, and other various industries. Shoreline has met their geographic enrollment goals. They are currently at 98% of their expenditure goal due to higher than anticipated workforce needs. They are at 96% of meeting their unsubsidized employment goal, thus exceeding the DOL performance goal of 67%. The average cost of individual training is \$171 and the average participant hourly rate is \$10.88.

As of March 20, 2012, Turning Point is at 85% of meeting their total enrollment goal and 140% of meeting their total OJT enrollment goal. Participants have been placed in agriculture, building/design, healthcare, hospitality/tourism and other various industries. Turning Point has exceeded all minimum geographic enrollment goals and the average participant hourly rate is \$11.12.

As of February 2012, OET is at 77% of meeting their adult enrollment goal and 50% of meeting their dislocated worker enrollment goal. OET is currently at 141% over their planned expenditure goal for adult enrollments and 131% over their dislocated worker enrollments. OET stated they are attempting to take

measures to collect the necessary data to populate their monthly report template for reporting to the Oversight Committee.

Mr. Silva questioned the overage of OET's expenditures and Ms. Leffel asked if it was a timing issue. Ms. Aldrich stated the numbers reflect OET's projection for each quarter; however they may not be over for the total year. OET's fiscal staff is working on solutions to resolve the projected overage.

In regards to the placement of participants, Ms. Leffel informed the members and program operators that Clinica de Salud is opening a new healthcare facility and stated this would be a great opportunity for the program operators to promote their training and workforce services.

4. Information: Presentation on Monterey County's Local Workforce Investment Area (LWIA) budget.

Mr. Cook stated the WIB component of job training was moved from Social Services and placed under the Monterey County Economic Development Department. He explained that the Oversight Committee has the responsibility to monitor all Monterey County WIA funded programs, as well as review and set the budget for the upcoming fiscal year. At present, the fiscal operations and management information system components of OET are still under Social Services.

Ms. Aldrich presented an update on the local workforce investment area's budget. Mr. Cook stated in reviewing the budget, WIB staff identified some issues related to performance, information management, and over expenditures which will impact the upcoming fiscal year. These issues were brought to the Monterey County Administrative Officer and plans for organizational solutions will be discussed. Mr. Cook stated that one possibility is to move OET out from Social Services and to combine it with the WIB/Economic Development Department team.

Mr. Silva is concerned about the budget overage and asked if OET was planning to use funds from the upcoming fiscal year to cover this year's expenditures. Mr. Cook advised that the WIB is working diligently to provide a solution. Ms. Aldrich stated that questions raised by the Oversight Committee concerning OET's budget and over expenditures initiated conversations with WIB staff and OET's fiscal unit about the discrepancies. WIB staff was advised that the over expenditures reflect quarterly projections that do not reflect the transfer of funds between the Adult and Dislocated Worker formula allocations. Ms. Leffel stated the Oversight Committee specifically asked questions concerning the transfer of funds prior to this issue and was told by WIB staff that it would not impact future funding. OET is currently working on solutions to resolve the budget overages.

Ms. Aldrich provided an update on the WIA allocations for PY2012-13 and advised that it does not include the funds anticipated for the Rapid Response program.

5. Information: Receive a report on the top 5 employers and occupations in Monterey County with the highest job openings.

At the request of the Oversight Committee chair, Ms. Esquerro briefly reported on the top 5 employers and occupations in Monterey County. Ms. Leffel stated that Bechtel currently has over 40 positions open for security staff and stated that it would be a great opportunity for veterans.

6. Information: Update on the Oversight Committee workshop agenda:

Mr. Cook stated the Oversight Committee workshop planned after the next meeting on May 10, 2012 will provide a clear understanding of the issues and the options to push forward in addressing potential opportunities. Ms. Aldrich stated the workshop will cover strategies, roles and responsibilities of the Oversight Committee, program performance, budget and an overview of our current system.

ADJOURN: Ms. Leffel motioned to adjourn the meeting at 10:00am.

Motion: Mr. Silva motioned to accept the motion as stated.

Second: Mr. Turlington