

**WORKFORCE INVESTMENT BOARD  
Of San Luis Obispo County**

**EXECUTIVE COMMITTEE MINUTES**

**Date:** Wednesday, June 11, 2014  
**Time:** 8:30 AM  
**Location:** America's Job Center of California, 880 Industrial Way, 3<sup>rd</sup> Floor Conf. Room,  
San Luis Obispo

---

**Present:** Carl Dudley, Louise Matheny, Patrick McGuire, Kirk Coviello  
**Excused:** Grace Schoch-Manzano  
**Staff:** Reva Bear, Felipe Gonzalez, Sarah Hayter, Dawn Boulanger, Lee Collins  
**Guest:** Kathy Marcove (Goodwill), Jenn Kirn (Cuesta), John Collins (Goodwill), Charlotte Johnson (Henkels & McCoy), John Rubin (Henkels & McCoy), David Ryal (Henkels & McCoy), Courtney Taylor (Dugan, Smith, and Heath), John Cascamo (Cuesta), Jessica Thomas (SLOCOE), Matthew Greene (Cuesta), Chris Cronan (EDD)

---

**Call to Order:**

Chair Carl Dudley called the meeting to order at 8:32 A.M. **Quorum.**

**Public Comment:**

Vice Chair Louise Matheny introduced Courtney Taylor (from Dugan, Smith, and Heath) as a guest who would be applying for WIB membership. Jessica Thomas of the San Luis Obispo County Office of Education expressed concern that due to budget decreases, the community schools that she works with would be losing aide that is currently being offered to students participating in the WIA program and asked if there was any way possible of getting those services funded again. She also asked for clarification regarding which youth provider had jurisdiction within the community schools, Henkels and McCoy or Cuesta College. Jenn Kirn thanked the committee for showing that there was consideration for increasing the youth services budget after review of carryover funds and also shared that with reductions being made, the subcontract Cuesta College held with the community schools was going to be nullified. She also shared the reductions of staff that were taking place in relation to the new budget and services were to be reduced in North County.

**Consent Items:**

3.1 Approval of the April 9, 2014 Minutes.

**Motion: Louise Matheny**  
**Second: Patrick McGuire**  
**Abstentions: Kirk Coviello and Chair Dudley**  
**Motion Passed Unanimously**

**Information/Discussion/Action Items:**

4.1 Review and Approve PY 2014/15 Local Area Budget

Reva Bear shared with the committee that there was an eight percent reduction to the overall budget with individual fund streams facing reductions ranging from eight to twelve percent. The rapid

response allocation is unknown at this time. Ms. Bear pointed out that there was an increase in the administrative budget in comparison to the previous year due to the sequester and the addition of a full-time administrative assistant position. It was an overall increase of approximately forty-two percent. Ms. Bear also shared the impact and strides that would be taken to diversify funding to reduce costs in the future. Once Ms. Bear completed her narrative and discussed the handouts included in the agenda packet, she opened the item to questions from the committee. Concerns were addressed ranging from the amount allocated for administrative staff and the reason for the increase in staff. Ms. Bear explained that due to the oversight the Workforce Investment Act (WIA) requires, staff was increased from last year and that this is the first time the WIA administrative team has been fully staffed. Ms. Bear also assured the committee that she was aware that this arrangement was unsustainable and said she would be researching outside funding sources to help cover these costs. There would also be a graphical representation of the budget showing the budget's growth since 2008 provided to the committee along with job descriptions of each of the staff members.

Lee Collins from the Department of Social Services(DSS) explained that due to the high level of oversight and reporting that WIA requires, the administrative staff's overhead rate is almost double that of any other program that is run through DSS. Mr. Collins also shared that DSS has not charged items to the program that other administrative entities might. The committee also questioned whether or not the level of oversight required had increased and Ms. Bear explained that the level had not changed but due to monitoring results, there were areas of oversight that were previously being untended or overlooked which has since been addressed. Member Patrick McGuire had asked what the penalty would be if oversight was reduced and Ms. Bear explained that fines and penalties range from warnings to having to pay monetary fines. Ms. Bear also stated that the state severely frowned upon WIBs that took an irresponsible approach to oversight and reporting. Chair Dudley asked that there be a discussion regarding the administrative budget no later than February. Chair Dudley then opened the item to public comment where John Collins shared that an opportunity was created between Goodwill and DSS to pull together resources in an effort to continue funding the Five Cities One-Stop through the end of the 3<sup>rd</sup> quarter of the fiscal year. Mr. John Collins also understood the budget cuts were necessary and commented that he would like to see the Workforce Innovation and Opportunity Act (WIOA) pass, as it would maintain less onerous regulations for training providers. Mr. Collins also expressed concerned SB734 was going to create more problems within the budget because of its strict policies regarding training allocations. Lastly, Mr. Collins shared how the cuts were prompting a shift to virtual training service delivery with assistance from facilities such as the public library. The item was then put to a vote by Chair Dudley.

**Motion: Kirk Coviello**  
**Second: Patrick McGuire**  
**Opposed: Loiuise Matheny**  
**Motion Passed: 2:1 vote or 2/3 vote**

#### 4.2 Approve Recommendation Regarding Henkels & McCoy GreenSmart WIA Youth Services

Dawn Boulanger began by giving a brief history of how Henkels & McCoy received their contract and the goals that were established for them to meet within their allotted time frame. The handouts included in the agenda packet gave a report on the service provider's positive progress and based on that progress, it was recommended by DSS that the GreenSmart Training program created by Henkels and McCoy be renewed through DSS funding to continue to provide service and continuity to those North

County, out-of-school youth currently enrolled in the program as mandated per program policy. It was reiterated that no WIA funds would be used in the contract renewal as DSS would be funding the program but wanted the program to fall under WIA monitoring and reporting. Public comment was made that expressed concern regarding the renewal of a private contract and its relevance to the WIB and whether or not the arrangement had been subject to legal review. Lee Collins and Reva Bear explained that even though no WIA funds would be used to fund the Henkels and McCoy contract renewal, the youth that are utilizing the GreenSmart Training Program are WIA enrolled and require mandated follow up services to complete their programs. The impact would be that GreenSmart training would be subject to WIA monitoring and review. Other questions arose about DSS, Goodwill, and Cuesta absorbing the cost of their employees to reduce WIA spending and the matter was discussed and accounting was said to be the main concern with that approach. Mr. Lee Collins also shared that Goodwill's budget (and Cuesta's subcontract) was not going to be impacted per the original arrangement which was brought before the Board of Supervisors vote to initially approve the contract for Henkles and McCoy. DSS agreed that if GreenSmart training was successful, a renewal of the contract would be proposed with DSS funds rather than WIA carryover funds therefore in no way monetarily affecting Goodwill and its subcontractors. Chair Dudley then put the item to a vote.

**Motion: Louise Matheny**  
**Second: Patrick McGure**  
**Motion Passed Unanimously**

## **Reports**

**Chairman's Report:** Chair Dudley reported that a meeting was held to discuss the continuation of the South County One-Stop and that an agreement was made between Goodwill and DSS to fund the continuation of service delivery at the Five Cities One-Stop through the end of March 2015. The agreement also acknowledged the fact that a higher priority must be given to virtual service delivery.

**Manager's Report:** Ms. Bear had nothing to report at that time.

**One-Stop Leadership Report:** In the absence of Member Grace Schoch-Manzano, Dawn Boulanger reported that the One-Stop Leadership committee discussed a few items including a change in the name of the subgroup since the One-Stop is converting to a job center to the One-Stop System Leadership. The main topic of discussion was looking into the new approach to service delivery for the Five Cities One-Stop. A concern that arose in the meeting was how the AJCC could adapt to the new training restrictions and the reduction of training providers on the ETPL.

**Youth Council Report:** Member McGuire had nothing to report aside from announcing that a Youth Council meeting would be held later that day at DSS from 4:00-5:00 PM.

**Business Council Report:** Kirk Coviello shared that the last Business Council meeting consisted of a presentation on Work Ready communities that was given by members of the Monterey Business Council that detailed ACT and WorkKeys programs benefit to employers, job seekers, and students. The next Business Council meeting scheduled on June 17, 2014, would have a presentation on Labor Market Information which Member Coviello said he would share at the next Executive or Full WIB meeting.

### **One-Stop Operator Reports:**

**5.1** - Operator's (Goodwill) financial summary and performance summary was reviewed and discussed. Kathy Marcove went into detail regarding the current situation of unemployment and its affect on the AJCC. Therefore a shift to a more employer demand driven system has been prompted and creating an expanded menu of training options and service delivery has been made a priority. Jenn Kirn shared that all goals had been met for this program year and that the John Muir Charter School was hosting a graduation event that all members, guests, and staff of the meeting were invited and encouraged to attend.

**5.2-** A copy of the performance report for Henkels and McCoy GreenSmart Youth training was provided in the agenda packet for review.

### **Administrative Entity Updates**

**5.3** – Fiscal Agent's Budget Update was reviewed and discussed.

**Next Executive Meeting:** July 9, 2014  
8:30 a.m.  
America's Job Center of California  
880 Industrial Way, 3<sup>rd</sup> Floor Conference Room  
San Luis Obispo, CA

**Meeting adjourned at 10:07 a.m.**