



AGENDA
Workforce Development Board (WDB) Executive Committee
Special Meeting
Virtual via Zoom
March 25, 2022, 11:00AM

In accordance with Executive Order N-08-21 the Workforce Development Board Executive Committee meetings will be held virtually until further notice.

Email Public Comment: To submit public comment to the Workforce Development Board Executive Committee please email gohumco@co.humboldt.ca.us provide your name and the agenda item on which you wish to comment. All public comment submitted after the agenda has been published will be included with the administrative record after the fact.

Zoom Public Comment: When it is time for public comment on the item you wish to speak on, the Workforce Development Board Executive Committee Chair will ask for public comment. You may virtually raise your hand using the raise hand function on Zoom and staff will unmute your phone. Staff will then ask you to state your name and begin your comment. You will have 3 minutes to comment.

*Phone Public Comment: You may call into the meeting by **dialing +1 669 900 9128 and entering using meeting ID**. When it is time for public comment on the item you wish to speak on, the Workforce Development Board Executive Committee Chair will ask for public comment. Staff will unmute phone lines ask you to state your name and begin your comment. You will have 3 minutes to comment.*

The public may access the live stream of the meeting by using the following link:

<https://us02web.zoom.us/j/85673972949?pwd=V3l4eU5vc3lzREZDTHl6OHVlYtYQT09>

Webinar ID: 856 7397 2949

Passcode: 162618

Or Telephone: US: +1 312 626 6799 or +1 346 248 7799 or +1 646 558 8656 or +1 669 900 9128

The County of Humboldt is committed to providing equal access to all county programs, services and activities through the provision of accommodations for individuals with disabilities as required under the Americans with Disabilities Act (ADA). With 72 hours prior notice, a request for reasonable accommodation or modification can be made. Please contact the CAO's Office of Economic Development at 707-445-7745 or by email gohumco@co.humboldt.ca.us or the ADA Coordinator at 844-365-0352 or by email at ada@co.humboldt.ca.us

The Humboldt County Workforce Development Board is an equal opportunity employer / WIOA program. Auxiliary aids and services are available upon request to individuals with disabilities. Please call 707-445-7745 at least 72 hours prior to the meeting.



	Agenda Item	Who	Action
1.	Opening <ul style="list-style-type: none"> • Meeting Called to Order • Roll Call • Adjustments to the Agenda • Public Comment on Non-agenda items 	Chair Staff	Discussion Public Comment
2.	Discuss consequences of County Auditor-Controller's failure to file FY 2019-2020 Single Audit Report with State Controller's Office and consider adoption of a resolution of no confidence in the auditor / controller to be forwarded to the full Workforce Development Board for possible action with transmittal to the Humboldt County Board of Supervisors (Attachment 1, 2 and 3)	Staff	Discussion Public Comment Action: Adopt resolution of no confidence and direct staff to schedule full Workforce Development Board meeting
3.	Meeting Adjourned	Chair	

Next Meeting: April 20, 2022, 9:00 am



MEETING MINUTES

Workforce Development Board Meeting (WDB)

Via Zoom Web Conferencing

November 19, 2021

8:30 – 10:30 a.m.

MEMBERS PRESENT: Shelley Nilsen (Chair), Lee Cunningham (Vice Chair), Supervisor Michelle Bushnell, Rosemary Den Ouden, Daniel Dixon, Libby Maynard, Patrick Owen, Mark Plubell, Cedar Reuben, Treston Shull, Larry Siler, Susan Seaman, Kerry Venegas, Jennifer Budwig, Madison Flynn, Dennis Leonardi, Pru Ratliff, and Jeff Hunerlach

MEMBERS ABSENT: Robyn Stalcup

STAFF PRESENT: Scott Adair and Andy Rix, and Connie Stewart with HSU

Opening

1. Call to Order

Chair Shelley Nilsen called the meeting to order at 8:34 am. A quorum was present.

2. Introductions

Roll call was conducted to determine which board members were in attendance.

3. Director and Staff Updates

Economic Development Director Scott Adair provided updates on Workforce Development Board positions, thanking the former Chair and Vice-chair for their service, and welcoming the incoming Chair and Vice-chair. Director Adair discussed updates to the Workforce Coalition, including the Board of Supervisor's approval of contracts with Humboldt State University Sponsored Programs Foundation. Also, the Formula 1 monitoring is complete, and staff received positive feedback from State officials.

4. Board Announcements

Scott Adair mentioned this having been struck accidentally from the agenda and will remember to include board announcements in future meetings. Pru Ratliff stated that College of the Redwoods Adult and Community Education has acquired new space in downtown Eureka, next to where ESL and high school diplomacy prep classes are held, that will allow enrolled students to have free childcare while in class. They move into that space December 1 and hope to have it ready for spring term. Also, talking to Humboldt County Office of Education about how they can partner to provide these services. Phlebotomy informational meeting on Dec.1st, for classes happening in spring.

5. Adjustments to the Agenda

Board member seat application should be action item vote, not a presentation.

6. Public Comment

Michael Davies-Hughes: Introduced himself, new super intendent of schools for Humboldt County.

Scott Adair read a letter from Veronica Champagne, with EDD, concerning the single audit. The letter is attached to the agenda.

Connie Stewart (HSU) commented that they are on their third audit for SMART activities. Notes attachment B title 1 employment section has both yes and no marked, and the correct answer is yes, they are fully staffed and the job center. She met with the High Road Transitions at the state, and they are encouraging that we apply for apprenticeship grants at the beginning of next year.

Consent Agenda (Attachment A)

- Approval of minutes from August 20, 2021

The Board reviewed the minutes and made it known that Madison Flynn and Jeff Hunerlach were present at the meeting. Cedar moved to approve the minutes with the recommended changes. Madison Flynn Seconded this motion. The motion passed, with 3 abstentions.

AJCC RE-Certification (Attachment B) *AJCC Partner Meeting following WDB Meeting*

Scott Adair states that staff has already completed and submitted a survey as well as the baseline criteria documents. AJCC meeting will discuss the MOU moving forward.

Humboldt Workforce Coalition Organizational Chart (Attachment C)

Scott Adair addressed the updates made to the Workforce Coalition Organizational Chart. He briefly went over the changes to the ETPL coordinator, newly appointed Angelina Hill and the new HSU Regional Organizer, Connie Stewart. Pru Ratliff raised a question about the current MOU and whether or not it still needed revisions. Scott states this is the draft and it will be discussed during the AJCC meeting later today, with MOU contract completion anticipated for June. Pru Ratliff will speak up again later during the meeting regarding the changes.

Chair Nilsen questioned our monitoring status. Director Adair stated that not having the single audit done does put us at risk.

Cedar Reuben questioned the oversight of the state org charts and which organization has authority. Director Adair stated that we could add clarification, and EDD provides oversight for formula funds and CWDB oversees competitive funds.

Pru Ratliff requested clarification on operator versus partner. Both HSU and CR are operators, everyone else is partners. Connie Stewart clarified that typically there would be 3 operators, and there have been discussions to add a third active partner.

Board Member Seat Application (Attachment D)

Scott Adair discussed that there was an application for a seat on the board that was received from Tanya Trump. Tanya currently works with the Economic Development division with HCOE. Tanya Trumps application is attached to the agenda.

Regional Plan and Local Plan Completion (Attachment E/F)

Connie Stewart (HSU Regional Organizer) mentions that the regional plan brings forth wonderful training opportunities and that the state has requested that amendments be made to the grants to reflect the new Organizational chart.

Presentation by County Auditor Regarding FY19-20 Single Audit Completion

Chair Nilsen requested an update on the completion of the 19-20 single audit.

Karen Paz Dominguez (KPD) shares that they have contracted the help of Macias Gini and O'Connell (MGO) to complete bank reconciliation for all departments. External auditors and MGO are working together to come up with timelines that work for everyone. MGO is still missing documents. KPD and her team are currently working on the 20/21 audit to make sure it is on time. Limited resources and reports that no longer exist in the new system are causing a hold up on the 19-20 audits completion. Chair Nilsen clarified that the original deadline was March, and a 6-month extension to September.

Chair Nilsen raised a question regarding what process changes have happened to create such a delay in the audit's completion. What needs to happen to get this done quickly.

KPD states that in October 2019 they had a state of emergency that caused the department to lose power and they had to shift to prioritize payroll and accounts receivable, this caused the first part of a delay and then COVID caused additional delays but allowed employees to work from home. They are still trying to catch up, so they are looking to hire help to get their priorities straightened out to get caught up.

Supervisor Michelle Bushnell wanted to know if an extension was given due to the COVID crisis. KPD says yes.

Mark Plubell questions if a private auditor might be needed to help with getting this audit completed? KPD clarifies that they are currently being handled by external auditors, not within the CAO. KPD shares that the audit is due in March to the external auditor. KPD also states that the external auditor is reviewing both 19-20 and 20-21 to help complete the audits.

County administrative Officer (CAO) Elishia Hayes- Still a significant amount of work that needs to be submitted. They are waiting for the Auditor Controllers office to provide information before it can move forward. She states that she would be reluctant to bring someone new on board and caught up on all the internal workings of the county. CLA is being used and has been used for many years.

Vice-chair Lee Cunningham states that CLA has been phenomenal in the past

Cedar Rueben- Do we have a date for when the audit will be completed? KPD- No concrete date. There is a need for outstanding documentation still not having been provided before they can meet with the external auditors and MGO to get it completed.

Pru Ratliff asks why it takes so long to start the auditor sooner rather than so late in the year? KPD shares that with a county of this size, it's not customary to get the auditor hired sooner.

Jennifer Budwig any other county in the state that has not completed their audit for this time period?

CAO Hayes-No, agencies within their portfolio have complied with the deadline as is.

Dennis Leonardi- wants to know about a concrete date again. Karen responds with regarding the inability and unwillingness to provide a concrete date that she is uncertain of when they will be able to complete the audit. They will however continue to work every day to get this completed and they will be willing to communicate weekly with updates

Cris Polcher- is everyone aware of what is needed and when it is needed? Also wants to know if they have the necessary staff? Karen states that yes, the communication has been made regarding what is needed. MGO is working on the past due audit and the CAO staff is working on the current audit. They will request MGO been in contact weekly

Public Comment: Connie Stewart makes a statement regarding that her confidence is lacking regarding the audit's completion. She expressed frustration with the presentation and the excuses given towards the delay.

Chat:

Anonymous Attendee 1: 10:17am "Answers and questions emailed to the Auditors office are never answered and if there is a reply it is weeks later"

Anonymous Attendee 2: 10:21am "The Auditor controller Karen Paz is unable to successfully fulfill her duties as the county auditor. Blame is constantly being passed on to other departments or third parties that she has hired. Departments and staff members are constantly working hard to meet the requirements and deadlines set forth by her office, yet Karen has been unable to meet any deadlines that she has set for herself. There comes a time when the auditor needs to admit she has failed."

Anonymous Attendee 3: 10:22am "Amen Connie"

(Dismissed messages regarding presentation that was postponed due to extensive discussion on this agenda item)

Anonymous Attendee 4: 10:05am "County departments have met all deadlines set by the auditors office. The '19-20 audit is not closed due to the auditor Karen Paz Dominguez due to her neglect and leadership in communication with the county."

Anonymous Attendee 5: 10:14am "MGO has confirmed they have not received the department information that was provided to the Auditors office. The Auditors office has confirmed that multiple documents and journals have gone missing. 300+ journals have gone missing auditor is the reason the audit isn't complete"

Anonymous Attendee 6: "The bank accounts KPD says MGO is waiting for information on are bank accounts that have not been previously seen and are suddenly being asked about reconciling documents because the ACO was not reconciling accounts"

Dennis Leonardi- Is there anything we can do to help expedite it? Nilsen- Not sure if there is anything we can do.

Motion moved to extend meeting 15 minutes Moved by: Jennifer Budwig - Seconded by: Dennis Leonardi-voted unanimously. Motion approved unanimously.

Consider Recommendation from WDB Executive Committee to take a vote of no confidence to the County Auditor-Controller, pending the presentation and update on the County's Single Fiscal Audit FY19-20 (Attach. G)

Cedar called question- Daniel Dixon motioned to adopt and accept the executive committee's recommendation of a vote of no confidence, Mark Plubel seconded the motion.

Discussion/comment: Daniel Dixon- all those here in positions of leadership understand challenges and there were a lot of them mentioned without solutions mentioned.

No Public Comment.

The Board voted to adopt and accept to executive board recommendation of a Vote of No confidence in the Auditor Controllers Office.

Voted for by hand raise in chat.

The motion passed 15: 2, with one abstention.

2 Nays: Treston Schull, Libby Maynard and Michael Hetticher

1 abstention: Madison Flynn

Presentation by Nordic Aquafarms

Nilsen requests for presentation return for the February Meeting instead of presenting today.

Marianne accept to return to present in February

Scott will follow up with Marianne Naess

Future Meeting Topics

- Broadband
- Targets of Opportunity Study/Labor Market Info.
- Labor Shortage/Child Care Shortage
- Persons with Disabilities in the Workforce
- Nordic Aquafarms Presentation

Meeting Adjourned 10:44am



COUNTY OF HUMBOLDT
COUNTY ADMINISTRATIVE OFFICE

ECONOMIC DEVELOPMENT DIVISION
WORKFORCE DEVELOPMENT BOARD

November 19, 2021

Dear honorable members of the Board of Supervisors and the County Administrative Officer. In October this year, the Employment Development Department (EDD) Compliance Monitoring and Review Section completed a fiscal and procurement audit with the Economic Development Division to determine compliance to federal and state laws, regulations, and policies specific to Workforce Innovation and Opportunity Act (WIOA) in accordance with WIOA Sections 183(a) and 184(a)(4). During the audit a condition was identified as a potential compliance issue. Specifically, that the FY19-20 single audit report for Humboldt County was not completed as required by Title 2 CFR, Chapter II, Part 200, Subpart F, § 200.501, and EDD WIOA Directive 05-17.

On November 4, 2021, the County's Workforce Development Board (HC-WDB) executive committee met to discuss the failure of the County to complete its FY 19-20 single audit and the subsequent risks to Workforce Development program funding. The executive committee voted that the full HC-WDB consider the recommendation to take a vote of no confidence to the County Auditor-Controller pending a presentation and update of the FY19-20 by the Auditor-Controller.

On November 19, 2021, the full HC-WDB met for its quarterly meeting. During the meeting, the Economic Development Division Director, entered into the record a letter from the HC-WDB's regional advisor from EDD to the HC-WDB. In the letter, the regional advisor stressed the importance of completing the FY19-20 single audit and that failure to do so could result in a temporary withholding of cash payments, disallowance of all or partly the cost of activities, wholly or partly suspend or terminate federal awards, initiate suspension, or disbarment proceedings, and or withhold further federal awards.

During the November 19th meeting, the Auditor-Controller provided an update to the HC-WDB; however, when asked the Auditor-Controller could not provide a date on which the audit would be completed. After the Auditor-Controller's presentation, the HC-WDB passed a vote no confidence against the Auditor-Controller for failure to complete her duties as Auditor-Controller.



825 5th Steet STE 112
Eureka, CA 95501
(707) 445-7745

gohumco@co.humboldt.ca.us
www.gohumco.com

Shelley Nilsen, Chair
Workforce Development Board
County of Humboldt

RESOLUTION NO. 22-_____**RESOLUTION OF THE HUMBOLDT WORKFORCE DEVELOPMENT BOARD
EXECUTIVE COMMITTEE DECLARING NO CONFIDENCE
IN AUDITOR-CONTROLLER KAREN PAZ DOMINGUEZ**

WHEREAS, all non-federal governmental agencies and nonprofit organizations that expend more than \$750,000 or more in federal funds awards in a given fiscal year are required to obtain a Single Audit and file a Single Audit Report (“SAR”) with the state and federal governments; and,

WHEREAS, in order for the County of Humboldt (“County”) to qualify for and receive state and federal Workforce Innovation and Opportunity Act (“WIOA”) funding, the County must annually file a SAR with the State of California; and,

WHEREAS, with delays and closures experienced as a result of the COVID-19 pandemic, to be in compliance with Office of Management and Budget (OMB) requirements, all public agencies should have filed their Fiscal Year 2019-2020 SARs by March 31 ,2021; and,

WHEREAS, despite extensions provided by the State, the County’s Auditor-Controller has failed to timely file a FY 2019-2020 SAR and preparation of the SAR was referred to outside auditors for preparation; and,

WHEREAS, the SAR for fiscal year 2019-2020 was not completed by the extended deadline of September 30, 2021 due to difficulties the County’s external outside auditors stated they encountered obtaining information from the Auditor-Controller’s Office; and

WHEREAS, in October of 2021, the State of California Economic Development Division (“EDD”) determined that the FY 19-20 SAR for Humboldt County was not completed as required by Title II C.F.R., Chapter II, Part 200, Subpart F, § 200.501 and EDD WIOA Directive 05-17; and,

WHEREAS, on November 4, 2021, the WDB Executive Committee met and voted to refer to the full HC-WDB its recommendation to take a vote of no confidence to the County Auditor-Controller; and,

WHEREAS, on November 19, 2021, at a quarterly meeting of the Workforce Development Board of Directors meeting, the Board voted, adopted and accepted the Executive Committee’s vote of no confidence in the Auditor-Controller’s office; and

WHEREAS, on March 15, 2022, the EDD informed the County that the County’s failure to file FY 2019-2020 SAR has resulted in the Humboldt Local Workforce Development Area being placed on a “Cash Hold”; and,

WHEREAS, the EDD informed the County the Cash Hold restricts the local area from drawing funds from all Formula and regional Grant funds passed through the EDD; and,

WHEREAS, the EDD informed the County the Cash Hold will remain in place until the EDD Workforce Services Branch Regional Advisor receives proof that the Humboldt SAR for FY 19-20 is completed and submitted to the State Controller; and,

WHEREAS, as a result of the Cash Hold, the HC-WDB will not be able to seek reimbursement for programmatic WIOA expenditures made on behalf of the citizens of the County; and,

WHEREAS, if the final March 31, 2022 deadline is not met to file the FY 2019-2020 SAR, such failure could impact the status and designation of the County's Local Workforce Development Area; and,

WHEREAS, the County's Board of Supervisors has set April 4, 2022 to consider censure of the Auditor-Controller; and,

WHEREAS, due to the Auditor-Controller's failure to file the FY 2019-2020 SAR, the citizens of Humboldt County, through no fault of their own, are having resources withheld by the State and the HC-WDB seeks to document and transmit its support of the BOS's consideration of a censure against the Auditor-Controller for failure to perform her duties.

NOW, THEREFORE, BE IT RESOLVED by the Executive Committee of the Humboldt Workforce Development Board, Humboldt County, State of California, that the Executive Committee hereby finds and declares that it has no confidence in the County of Humboldt Auditor-Controller Karen Paz Dominguez in light of, *inter alia*, repeated and serious incidence of malfeasance and negligence by the Auditor-Controller and staff in their failure to file the FY 2019-2020 SAR by the State extended deadlines, and continued resistance and obstruction of transparency and oversight of the County's finances.

BE IT FURTHER RESOLVED that the Executive Committee hereby directs County staff assisting the Executive Committee to forward this Resolution to the entire Board of Directors for action.

IN ADDITION, IT IS FURTHER RESOLVED that should the Controller-Auditor's inaction and non-performance of her duties continue and the March 31, 2022 filing deadline for filing the FY 2019-2020 SAR is not met, the Executive Committee recommends, pursuant to Government Code section 3060, that the full Board consider referral of this matter to the California Fair Political Practices Commission for potential investigation, to the Office of the Attorney General of the State of California for potential investigation or other appropriate action, and to the United States Department of Justice for potential investigation or other appropriate action.

///

///

PASSED and ADOPTED by the Executive Committee of the Humboldt Workforce Development Board on _____, 2022 by the following vote:

AYES:

NOES:

ANSWET:

ABSTAIN:

By: _____

Name: _____
Chair, Executive Committee

ATTEST:

By: _____

Name: _____
Secretary, Workforce Development Board

Date: _____