



EC Works Board Meeting Agenda
July 28, 2021 from 11:30am-1:30pm
Virtual Meeting Via Zoom or Phone

Phone one-tap: US: [+12532158782](tel:+12532158782), [8793810312#](tel:+13462487799) or [+13462487799](tel:+13462487799), [8793810312#](tel:+13462487799)
Meeting URL: <https://us02web.zoom.us/j/8793810312>
Meeting ID: 879 381 0312

I. 11:30am: Call to Order - Gary North, Chair

- a) Consent Agenda – Minutes from April EC Works Board Meeting – vote required
- b) Ratification of budget as approved and adopted by Exec Comm & COWC – vote required

Information Only:

- c) EC Works 2018 – 2019 Monitoring report by HECC
- d) EC Works 2019 DOL Apprenti monitoring report by HECC
- e) CGCC 2019 – 2020 Monitoring report
- f) COIC 2019 – 2020 Monitoring report
- g) KCC 2019 – 2020 Monitoring report
- h) OMEP 2019 – 2020 Monitoring report

II. 11:40am: Private Sector Industry Updates – Gary North, Chair

- a) Manufacturing
- b) Health Care
- c) Construction
- d) Technology
- e) Klamath Basin Drought Impacts

III. 12:20pm: WorkSource Reopening Update – Stefanie Siebold and Mel Barrett, Staff

IV. 12:30pm: Jobs, Unemployment and the Economy – Damon Runberg

V. 12:45pm: General Group Updates and Discussion – All Present

Attachments:

- Draft April EC Works Board Meeting Minutes
- 2021-2022 EC Works Budget
- Monitoring Reports



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Board Members Present: Gary North (Chair), Dr. Marta Cronin, Robbie Smith, David Burger, John Hanner, Maggie Hubbell, Dave Aiken, Martin Campos-Davis, Amy Gibbs, Michelle Alvarado, Bambi Bevill, Erin Szymoniak, Mike Graham, Julie Matthews

Others Present: Damon Runberg, Todd Nell, Mike Derrickson

Staff Present: Heather Ficht, Jessica Fitzpatrick, Jamie Kendellen, Melissa Barrett, Brenda Stewart, Stefanie Siebold, Stephanie Tarantino

Board Members Absent: Nicole Hough, Wendy Peterson, Dave Aiken, Matt Bogatay, Trevor Janeck

- **Consent Agenda:** Meeting called to order at 11:34 am by Chair Gary North. The minutes of the April Board meeting were presented and the Chair asked for a motion to approve the minutes.

Motion: Martin moved to approve the minutes as presented, Marta seconded, and the minutes were unanimously approved.

- **Ratification of Budget:** The budget previously approved and adopted by the Executive Committee and COWC was presented and the Chair asked for a motion to ratify.

Motion: Michelle moved to ratify the budget as presented, Mike seconded, and the budget was unanimously ratified.

- Our newest Board member, Erin Szymoniak, KCC - representing Adult Basic Skills, introduced herself and was welcomed to the Board.
- **Monitoring Reports:** Heather (staff) shared all of our monitoring reports, which ensure both that our providers are in compliance and doing good work. In addition, we shared the report from HECC-OWI on our monitoring. There were no findings. Board members can read at their leisure and ask any questions now or in the future, but Heather wanted to say thanks to Jamie and Jess for doing a great job ensuring program practices and financials are all safe, which keeps us out of disallowed costs and other issues.
- **Private Sector Industry Updates**
 - **Mike Graham, Real Carbon (Manufacturing - Gorge)**
 - Economy in the Gorge has been very negatively impacted, as employers continue to struggle to retain employment. Output is constrained – the opportunity to create is there, but finding employees still an issue.

- Longer lead times on supplies as well as huge increases in costs mean that smaller operations are struggling. While companies may have had inventory, special order lead time has grown exponentially.
- **HealthCare:** Trevor unable to attend meeting because St. Charles once again at capacity. Many providers tired and more people looking for part-time opportunities as full-time during the pandemic has been trying and exhausting.
- **Gary North, R & H Construction (Construction – Central Oregon)**
 - Long lead times and price increases are drastic at around 25%, plus uncertainties around when we can get materials. Unpredictability within the market is looking to level out in next 6-8 months, but nothing is certain and things change daily.
 - Lead time for big jobs is actually helpful because we have the time to source materials, variability of information on shorter jobs makes it hard to do business.
 - Central Oregon area and Klamath Falls will continue to grow outside of pandemic because population has been moving to these areas, which is expected to continue once we get stability, business will be good.
- **Maggie Hubbell, Shift (Tech – Central Oregon)**
 - Tech companies typically need up-front investment to build product and gain market awareness. While a recurring revenue model is very cost-efficient, the investment is in the initial product build. Fortunately, investors like the recurring revenue model and tech is a very investable space.
 - Oregon tech companies are becoming more attractive to investors. Oregon investors - VC and angels - tend to be very cautious and have a "wait and see" approach. There have been several successful Oregon exits and as well as attention on larger companies in the state. We even have our first Unicorn (\$1B+ valuation) in Central Oregon (Dutchie). Also, as teams become more distributed and/or fully remote, VC's don't see being in Silicon Valley as essential as before; however, Oregon investors are still cautious, slow and more risk averse than in tech hubs like Silicon Valley, LA, Atlanta and Denver. Oregon companies must look outside the region for funding, as well as have an extremely attractive value proposition. The Bend Venture Conference which takes place every October is one of the largest angel conferences in the country, so this is continuing to give credibility to the region.
 - Highly technical and skilled employees are still scarce. The cost of living in Bend is high for them, even with wages. Companies must get good at remote - hybrid or fulltime. Doing it poorly will hurt their employee retention and productivity.
- **Julie Matthews, Klamath Economic Development (Klamath Basin)**
 - Economic Development has been really busy, with a focus on increasing housing, building permits are up.
 - For agricultural community, the situation is really dire. This region is very rural and depends on irrigation for ag economy. Because of severe drought, 135K irrigated acres are no longer generating money, which is also hitting wildlife and households because they are being cut off from water and crisis growing daily.
 - Last week commissioners got huge septic tank water jugs to homes. When you don't have water in canals, this effects wells so farmers and ranchers can't get water for

- animals which means having to sell herds and affecting fish. Basin needs emergency funding for short-term, but also looking long-term as another drought may hit again next year.
- On workforce, very few responses to survey about layoffs but working on rapid response to those who did reply. Stef and Heather (staff) coming to K Falls next week to talk about Swan Island and jobs that will be cultivated in next couple years.
 - **WorkSource Reopening Update:** Mel and Stef (staff) gave an update on reopening WorkSource centers across our areas. WorkSource Klamath opened on the 19th and served a combination of walk-in and virtual customers looking for help with Unemployment Insurance and registering in the labor exchange. WorkSource Bend, Redmond and The Dalles opened today. All returning staff completed safety training, everything was thoroughly cleaned, and security is on site through year end unless partnership wants to end sooner. Also, a staff feedback mechanism was created so staff can provide suggestions / solutions anonymously if preferred and these can be brought back to Local Leadership Teams for discussion and decision.
 - **Jobs, Unemployment and the Economy Presentation:** Damon Runberg, OR Employment Dept. Regional Economist for East Cascades, presented an update on employment recovery and labor shortage. Highlights included the following:
 - Levels of employment show rapid recovery in summer 2020, then saw losses in Dec 2020 with resurgence of public health, but for the most part are trending upwards.
 - Deschutes county was hit harder than the state as a whole. July numbers show massive upward revisions in Deschutes. Some rural counties recovering well from COVID recession while others are more volatile. Deschutes should be recovered at some point in 2021. Klamath and Lake not hit as hard, but are recovering well.
 - East Cascades seeing a far more robust recovery than the state as a whole. Statewide numbers influenced by metro areas, which recovered a lot slower mainly because tourism didn't pick up.
 - Unemployment Insurance (UI) Claims – which is different than unemployed people – back on track with re-implementing requirements, with a 60% drop of people claiming UI in Central Oregon, but hard to interpret with PUA as traditional metrics for logging unemployment not working. UI much more dramatic improvement than actual unemployment. Pool of available workers is smaller than stats would tell us, which helps drive the narrative that it's hard to find workers. Still seeing in all major counties the levels of unemployment are still better than 10 year average.
 - Highest percentage of job vacancies in last ten years in survey, so how is it possible with unemployment rates not recovered and total employment below previous peak? Demand for labor at very high levels. Most people put attention on supply of labor. One active job seeker for every vacancy out there, which should be 3 to 1. Reasons for this include:
 - a) Quits – national level skyrocketed in spring, unprecedented in last few months, people not wanting to go back after COVID / stock market doing well, also

turnover, with people quitting jobs and moving into other industries with better pay / hours and less seasonality i.e. restaurant workers.

- b) Recovery – businesses trying to recover from COVID, restaurants etc. trying to re-staff all at the same time.
- c) Expansion – need to ramp up to meet demand in surge in spending and people getting stimulus money.
- States where feds dropped insurance benefits have not seen a faster rate of job growth / did not improve ability to hire workers, so UI not silver bullet. Dramatic wage increases driven by supply / demand. Low wage workers trying to find best jobs.
- Current factors constraining the supply of labor also include churn, child care, COVID concerns, UI / stimulus and Child Tax Credit, employer detachment / matching labor to business – when a worker gets laid off, becomes hard to reengage to get same worker back. Re-matching labor to business is a slow and difficult process.
- Prediction is that nine months from now things will look quite a bit better through combination of ease of supply constraints. Incentives help as well as wage increases. Cost of living going up, along with child care, are two major variables that have always been struggles in our region.

Damon also shared that Kale Donnelly, former OR Employment Dept Workforce Analyst moved on to a job in Olympia for State of WA. Currently he has no analyst, so Damon may be slow on emails. Reach out to Damon if anyone needs to get a hold of Kale.

▪ **General Group Updates and Discussion**

- Heather reminded the Board that the WORKing Together Conference is open for registration and she hopes to see everyone there. Thanks to those who have already registered as it will be a great opportunity to learn about best practices across the state. Scholarships are available to those who need them, contact Heather if interested.
- Meeting was adjourned by Chair Gary North at 12:48 pm.

EC Works BUDGET 2021 - 2022

04.22.21 rev

	2021 - 2022 Budgeted	2020 - 2021 Projected	Variance	
RESOURCES				
Carry In Resources				
Adult	414,282	388,121	26,161	
Dislocated Worker	253,334	487,651	(234,317)	
Youth	355,575	418,288	(62,713)	
WIOA Admin	342,486	261,189	81,297	
WIOA - Future Ready		57,457	(57,457)	
DOL - American Apprenticeship Initiative		33,632	(33,632)	
DOL - Apprenti		50,361	(50,361)	
DOL - DWG Disaster & Employment		584,591	(584,591)	
DOL/State - WTDB COVID Response		78,775	(78,775)	
State - TWIP		161,684	(161,684)	
State - Industry Engagement (Sectors)		138,756	(138,756)	
State - Competitiveness Strategies (Board Supp)		104,640	(104,640)	
State/Local - HowTo	846,562	-	846,562	
Local - COHC Health Careers	68,776	68,776	-	
Local - Lake County	-	-	-	
Local - Facebook	-	83,672	(83,672)	
Local - YCC (Tykeson)	-	50,000	(50,000)	
	<u>2,281,015</u>	<u>2,967,593</u>	<u>(686,578)</u>	
Current Year Resources				
Adult	978,545	1,087,272	(108,727)	
Dislocated Worker	760,769	845,299	(84,530)	
Youth	1,034,828	1,149,809	(114,981)	
WIOA Admin	308,237	342,486	(34,249)	
WIOA - High Concentration of Eligible Youth	-	11,250	(11,250)	
Federal - Paycheck Protection Program	-	111,350	(111,350)	
Federal/State - TANF Summer Jobs	169,476	220,000	(50,524)	
State - TWIP	257,416	-	257,416	
State - Industry Engagement (Sectors)	190,831	-	190,831	
State - Competitiveness Strategies (Board Supp)	188,352	-	188,352	
State - GED Wraparound	-	42,900	(42,900)	
State - YDD	-	290,000	(290,000)	
State/Local - HowTo	-	1,000,000	(1,000,000)	
Local - YCC (BLPD, Redmond SD)	-	132,000	(132,000)	
Local - PGE Project Zero		5,000	(5,000)	
County - Lake County	14,500	14,500	-	
	<u>3,902,954</u>	<u>5,251,866</u>	<u>(1,348,912)</u>	
Total Resources	6,183,969	8,219,459	(2,035,489)	-24.76%
EXPENDITURES				
Board Expenses				
Staffing				
Salaries	854,098	642,105	211,993	
Employer Taxes	85,410	64,211	21,199	
Employee Benefits	247,688	160,526	87,162	
Total Staffing	1,187,196	866,842	320,354	36.96%
Operating Expenses				
Professional Services	42,000	14,000	28,000	
Legal Services	4,500	4,500	-	
Audit Services	21,200	20,546	654	
Fees/Taxes	9,500	8,000	1,500	
Phone & Internet	18,000	16,500	1,500	
Insurance	16,000	13,000	3,000	
Facilities	26,000	36,000	(10,000)	
Office Supplies/Expenses	16,000	20,000	(4,000)	
Memberships	13,000	13,500	(500)	
Printing	2,500	2,500	-	
Postage	300	300	-	
Staff/Board Travel	28,500	5,000	23,500	
Meetings	2,500	2,500	-	
Staff Development	9,500	6,500	3,000	
Total Operating Expenses	209,500	162,846	46,654	28.65%
Board expense as % of revenue	23%			
Program Expenses				
ITrac Database	28,016	38,510	(10,494)	
WSO Expenses - Leases, Phone/Int, Technology, etc...	42,800	42,450	350	
One Stop Operator	30,000	29,289	711	
Program General Expenses ***	298,950	1,060,772	(761,822)	
Total Program Expenses	399,766	1,171,021	(771,255)	-65.86%
Total Board Expenses	1,796,462	2,200,709	(404,247)	-18.37%

*** See attached schedule of 2021-2022 budgeted Program General Expenses

EC Works BUDGET 2021 - 2022

	2021 - 2022 Budgeted	2020 - 2021 Projected	Variance	
Program Provider Contracts				
Adult	818,481	755,192	63,289	8.4%
Dislocated Worker	695,751	798,055	(102,304)	-12.8%
Youth	896,139	964,325	(68,186)	-7.1%
TANF Summer Jobs	149,139	161,625	(12,486)	-7.7%
DOL DWGs	-	460,138	(460,138)	-100.0%
TWIP	115,837	145,924	(30,087)	-20.6%
Future Ready	-	35,670	(35,670)	-100.0%
DOL Apprenti	-	41,158	(41,158)	-100.0%
GED Wraparound	-	27,900	(27,900)	-100.0%
YDD	-	279,312	(279,312)	-100.0%
Lake County - WSO Center	10,000	7,927	2,073	26.2%
Total Program Provider Contracts	2,685,347	3,677,227	(991,880)	-26.97%
Contingency Fund	10,000	10,000	-	0.00%
Total EC Works Expenses	4,491,809	5,887,936	(1,396,127)	-23.71%
Fiscal Year 2022 - 2023 Quarter 1 Resources	1,692,161	2,331,523	(639,362)	-27.42%
Targeted Carry In 3 Months	812,199			
Program Provider Contracts				
Adult	818,481	814,300	4,181	0.5%
Dislocated Worker	695,751	835,920	(140,169)	-16.8%
Youth	896,139	986,000	(89,861)	-9.1%
TANF Summer Jobs	149,139	191,625	(42,487)	-22.2%
DOL DWGs	-	460,138	(460,138)	-100.0%
TWIP	115,837	147,383	(31,546)	-21.4%
Future Ready	-	35,670	(35,670)	-100.0%
DOL Apprenti	-	76,158	(76,158)	-100.0%
DOL IQor	-	-	-	#DIV/0!
GED Wraparound	-	27,900	(27,900)	-100.0%
YDD	-	279,312	(279,312)	-100.0%
Lake County - WSO Center	10,000	10,000	-	0.0%
Total Program Provider Contracts	2,685,347	3,864,407	(1,179,060)	-30.5%
Historical - Program Provider Contracts	2016 - 2017 = \$2,911,261 2017 - 2018 = \$2,339,259 2018 - 2019 = \$2,733,464 2019 - 2020 = \$2,760,001			

Program General Exp account tracking
acct # 8185

	Adult	DW	Youth	IndustryEng(Sectors)	HowToOHA/OHSU	Totals
Target Populations						-
YCC Data System			24,000.00			24,000.00
Sponsorships	2,500.00	2,500.00	2,500.00			7,500.00
Field Training (Super LLT \$6k, OWP conf)	3,750.00	3,750.00	4,750.00			12,250.00
Sectors Projects - contract out Sectors						-
{HOLD}						-
{HOLD}						-
COHC & Match - COCC				50,000.00		50,000.00
{HOLD}						-
Ranemaker Institute	9,466.00		4,734.00			14,200.00
{HOLD}						-
{HOLD}						-
{HOLD}						-
{HOLD}						-
{HOLD}						-
Incumbent Worker	75,000.00					75,000.00
Abilitree						-
NeighborImpact						-
The Tofurky Company						-
Housing Works						-
Aperion Management						-
Cascade Comprehensive Care						-
Project Orange - cohort						-
Project Waterfall - KCEDA Econ Dev - cohort						-
Google						-
{HOLD}						-
YCC			25,000.00			25,000.00
Youth services - Hold - do not yet contract						-
WorkSource Branding	10,000.00					10,000.00
{HOLD}						-
HowTo - Direct Expenses					65,000.00	65,000.00
Website Build	6,000.00					6,000.00
Reserve for Future Projects	6,666.00		3,334.00			10,000.00
Balance	113,382.00	6,250.00	64,318.00	50,000.00	65,000.00	\$ 298,950.00

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Oregon

Kate Brown, Governor

Higher Education Coordinating Commission
Office of Workforce Investments
875 Union Street NE
Salem, OR 97310
www.oregon.gov/HigherEd

August 22, 2019

Heather Ficht
East Cascades Works
404 SW Columbia St. #200
Bend, OR 97702

Dear Heather,

The Higher Education Coordinating Commission (HECC) performed an on-site monitoring review of the activities funded in connection with East Cascades Works contract #18-107, on July 18. This document includes the results of the review.

Results of the review

Core Activity Reviewed	
Administrative & Program Activities	
Promising Practices	Partner Coordination Communication
Findings or High Risk Factors	None
Other Observations	Grant funding changes

Promising Practices Notes:

EC Works does a great job of bringing partners together to coordinate services to best serve participants. Staff work very hard to ensure that the program and participants are successful.

Stefanie Siebold stays in good communication about the challenges the program is facing and has provided recommendations on possible solutions.

Findings Notes:

None

Observation Notes:

EC Works has decreased the funding for TAO. That funding will be moved to tuition support for students. A grant amendment will be issued to make this change.

Core Activity Reviewed	
Fiscal Activities	
Promising Practices	Cost Allocation Tuition and Credentialing Supports
Findings or High Risk Factors	None
Other Observations	Accrued and Accruals

Promising Practices Notes:

Services and supplies are being charged and are included in the personnel expenses line. The reason for this is this is the way the contract is structured. The contract with HECC did not spell out services and supplies so these items are condensed in personnel expenses. Instead of using an indirect cost allocation method, EC Works has elected to allocate costs based on a direct allocation method. The base elected is direct labor hours. This works for EC Works as they are not serving multiple programs. EC Works realizes they will need to change the allocation method if they take on additional funding sources. Jamie was willing to break out the Personnel expenses by detail if needed.

The goal of this program is to place employees in tech apprenticeship programs. To this end, EC Works has collaborated with Technology Association of Oregon (TAO). Both have collaborated with Washington Technology Industry Association (WTIA). Recruitment, training and placing workers is involved. Since this is, by far, the largest cost driver in regards to EC Works participation in the Apprenticeship grant, it seemed reasonable to delve into this deeper. The contract called for at least 10 apprentices to be trained. Currently, there have been 9 apprentices put through the program. There is another cohort starting in the near future. The apprenticeship grant helps meet just under 50% of the tuition for the individuals in this program. Once contractual milestones are met, \$10,000 is spent on each participant.

Findings Notes:

None

Observation Notes:

DOL, in their audit of HECC, cited a lack of reporting accruals. Although EC Works only has a small role in the accrual issue, we talked with Jamie about reporting accruals. We agreed she would modify her invoices to estimate, as accurately as feasible, accruals going forward. This requirement will be incorporated into the amended grant agreement.

Summary

Overall, HECC is pleased with the hard work that EC Works is putting into this program. Regular communication on challenges and possible solutions is much appreciated. Fiscal systems and operational procedures are sound and followed.

Please contact me at 503-947-3034 or jennifer.l.denning@oregon.gov if you have any questions.

Thank you,

A handwritten signature in blue ink, appearing to read 'Jennifer Denning', with a long horizontal flourish extending to the right.

Jennifer Denning
Grant Manager



Oregon

Kate Brown, Governor

Higher Education Coordinating Commission

Office of Workforce Investments

875 Union Street NE

Salem, OR 97311

www.oregon.gov/HigherEd

February 26, 2020

Lisa Dobey, Chair
East Cascades Workforce Investment Board
404 SW Columbia Street #200
Bend OR 97702

Dear Chair Dobey,

The final report for the Workforce Innovation and Opportunity Act annual monitoring is attached.

Please extend our thanks to staff for their work preparing materials for our visit, and for their assistance during our review.

If you or your staff have questions, please contact me at 503-947-2439.

Sincerely,

Kurt Tackman, Deputy Director
Office of Workforce Investments
Higher Education Coordinating Commission

c: Heather Ficht, Executive Director
Commissioner Derrick DeGroot

FINAL Monitoring Report
Program Year 2018 (*July 1, 2018 – June 30, 2019*)

The State of Oregon's Higher Education Coordinating Commission - Office of Workforce Investments (HECC-OWI) conducted its annual on-site monitoring review of the East Cascades Workforce Investment Board (ECWIB) on December 10, 11, and 12, 2019.

The reviewers conducted tests of compliance for elements included in the Uniform Administrative Requirements, the Workforce Innovation and Opportunity Act (WIOA) and final regulations, ECWIB policies and procedures, and the nondiscrimination, disability, and equal opportunity requirements in WIOA.

The entrance conversation took place on December 10, 2019, and attendees included Jessica Fitzpatrick, Heather Ficht, Jaime Kendellen, Mel Barrett, Duane Ritchie, Linda Sozzi, and Theresa Fitzgerald.

This report cites the results of our tests of compliance and review of policies and processes. The monitoring team relies on the following definitions:

- *Observations: In the course of the review, the monitoring team discovered areas that raised some measure of concern. Such concerns may be easily alleviated, and the monitoring team made every effort to discuss solutions with the appropriate staff to minimize concern.*
- *Findings: Findings are items or issues that are of significant concern or that indicate the violation of a guiding principle, regulation or rule. The monitoring team requested additional information beyond the initial review questions to determine whether the issue discovered was an abnormality of the review process or a valid violation.*

This draft report cites no observations and no findings.

Reviewers relied on documentation and materials provided by ECWIB and catalogued in the monitoring review guide.

ECWIB provided the Financial Statements and Single Audit Information for the year ended June 30, 2018 and 2017. No internal control deficiencies, questioned costs, or other issues were noted.

Tests of compliance were conducted on policies and procedures, expenditure rates, quarterly financial reporting, travel reimbursements, contracts and procurement, separation of duties, payroll, and subrecipient monitoring. ECWIB's fiscal system of expenditure authorization and record keeping is sufficient and provides reasonable accounting control over assets, liabilities, revenues, and expenditures in connection with those funds.

Bylaws of the East Cascades Workforce Investment Board (ECWIB) (September 2017) do not currently include all of the elements required in 20 CFR 679.310(g) and

in the State of Oregon Workforce Programs Local Board Membership Criteria policy.

ECWIB's Program Management Policy Priority of Service (October 18, 2018) does not include individuals who are basic skills deficient (required at 20 CFR 680.600). The policy also includes incorrect references to WIOA regarding limited funding.

The draft report was provided on December 12, 2019.

This is final report. ECWIB will have one (1) week from the date of the final report to prepare and submit a written appeal to any findings. The appeal will be submitted to the Office of Workforce Investments director, who will make the final decision.

Draft report: December 12, 2019

Response to draft due: January 13, 2020

Final report: February 26, 2020

Final appeal:

Office of Workforce Investments director decision:



Subrecipient Name: **Columbia Gorge Community College**

EC Works PROGRAM & FISCAL MONITORING REPORT

Date: December 14, 2020

Field work dates: n/a due to COVID

Period of review: September 1, 2019 - August 31, 2020

**Contact Name and
Email:**

Dr. Marta Cronin
Mike Mallery
Teresa Cummings
Mary Kramer
mcronin@cgcc.edu
mmallery@cgcc.edu
mkramer@cgcc.edu
tcummings@cgcc.edu

**Program Findings,
Observations &**

Recommendations: Findings: None
Observations: None
Recommendations: None

**Fiscal Findings,
Observations &**

Recommendations: Findings: None
Observations: None
Recommendations: None

Thank you to CGCC for implementing the recommendation from our prior report to separate participant expense line items in the general ledger.

Results: Provider is in compliance with related policies and procedures.

We appreciate your partnership with EC Works. Thank you for your time during the review procedures. If we have noted any findings, observations and/or recommendations that have not been resolved, please respond within 30 days.

Please contact EC Works with any questions at 541-213-0684, jessica@ecworks.org or jamie@ecworks.org.

Jessica Fitzpatrick, Director of Compliance and Operations
Jamie Kendellen, CFO

CC: EC Works Leadership Team

Subrecipient Name: **Central Oregon Intergovernmental Council**

EC Works FISCAL & PROGRAM MONITORING REPORT

Date: February 16, 2021

Field work dates: n/a due to COVID-19

**Contact Name
and Title:**

Tammy Baney, tbaney@coic.org
Michelle Williams, michellew@coic.org
Dana Dunlap, ddunlap@coic.org
Josh Lagalo, jlagalo@coic.org

**Final Findings,
Observations &**

Recommendations: Findings: None

Observation: COIC general ledger did not reflect \$200 in gift cards purchased in the Adult – Future Ready fund due to a posting error. This was a valid expense, correctly billed to EC Works, but it gives the appearance of an overbilling.

Resolution: COIC posted the entry to the fund in the 2020 – 2021 fiscal year; as such, EC Works expects to see an underbilling in this fund as compared to the general ledger during the next monitoring year.

Observation: In the Employment DWG fund, COIC billed \$2,239.65 of On-the-Job Training expenses as Occupational Skills Training for July – August 2020.

Resolution: COIC corrected the billing error in the January 2021 invoice.

Uncorrected Observation: COIC purchased Walmart gift cards in the Adult – Future Ready fund. Per the general ledger detail, these were incentive gift cards. These were billed to EC Works as Support Services – 15% MTE eligible. After researching, EC Works notes that this expense should have been coded to non-15% MTE eligible support service as GEDs are not eligible for MTE under Adult/Dislocated Worker funds.



**Final Findings,
Observations &
Recommendations
continued:**

Recommendations: None

We appreciate your partnership with EC Works. Thank you for your time during the review procedures.

Please contact EC Works with any questions at 541-213-0684 or email to Jessica@ecworks.org or Jamie@ecworks.org.

Jessica Fitzpatrick, Director of Compliance & Operations
Jamie Kendellen, CFO

CC: EC Works Leadership Team





Subrecipient Name: **Oregon Manufacturing Extension Partnership**

EC Works PROGRAM and FISCAL MONITORING REPORT

Date: December 14, 2020

Period under review: September 1, 2019 - August 31, 2020

Field work dates: Desk Review only

Contact Name and Title:

Tami Trout, Senior Consultant
Kendall Lenhares, Director of Employer Engagement
Michelle Fusak, VP of Finance & Operations
Denise Masanga, Controller
ttrout@omep.org
klenhares@gmail.com
mfusak@omep.org
d.masanga@omep.org

**Program Findings,
Observations &
Recommendations:**

Findings: None
Observations: None
Recommendations: None

**Fiscal Findings,
Observations &
Recommendations:**

Findings: None
Observations: None
Recommendations: None

Thank you to OMEP for implementing the recommendation from the prior monitoring report to request additional detail on invoices received under this award.

Results: Provider is in compliance with related policies and procedures.

We appreciate your partnership with EC Works. Thank you for your time during the review procedures. If we have noted any findings, observations and/or recommendations that have not been resolved, please respond within 30 days.

Please contact EC Works with any questions at 541-213-0684 or by email at jessica@ecworks.org and jamie@ecworks.org.

Jessica Fitzpatrick, Director of Compliance and Operations
Jamie Kendellen, CFO

CC: EC Works Leadership Team

Subrecipient Name: **Klamath Community College**

EC Works FISCAL & PROGRAM MONITORING REPORT

Date: May 7, 2021

Field work dates: n/a due to COVID-19

**Contact Name
and Title:**

Dr. Roberto Gutierrez, gutierrezr@klamathcc.edu
Tricia Fiscus, fiscus@klamathcc.edu
Charles Massie, massie@klamathcc.edu
Geoffrey LaHaie, lahaieg@klamathcc.edu
Diane Haskins, haskins@klamathcc.edu
Michael Cargill, cargill@klamathcc.edu
Penny Newton, newton@klamathcc.edu

**Final Fiscal Findings,
Observations &**

Recommendations: 1. Findings: None

2. Uncorrected Observation: KCC invoiced Walmart gift card incentives in the TANF fund as support services, rather than incentives. As this occurred in the prior fiscal year, the error is no longer correctable. However, KCC was still within allowable budget had the amounts been correctly invoiced. No further action is required.

3. Observation: KCC ran a Dislocated Worker Work Experience for a participant through accounts payable, rather than payroll. As such, the participant received the full amount of the payment, and the required payroll taxes were not deducted and paid to the appropriate agencies.

Resolved: KCC processed the information through payroll, noting a Quarter 3, 2020 payroll tax report adjustment and amended W2. **Please note, EC Works Dislocated Worker funds and other EC Works funds should not be charged for the payroll taxes that will be due from the error. KCC must pay out of general funds.**



4. Observation: KCC invoiced WIOA for the full cost of tuition and books through several funding streams for participants who also received tuition-related scholarships.

Technical Assistance: There were three steps to final resolution:

- a. The initial overpayment discovered, including indirect, from this issue was \$373.58. KCC returned the disallowed funds to EC Works, received on March 8, 2021.
- b. KCC performed a review of all WIOA participant accounts from July 1, 2019 to current where other tuition-specific scholarships had been awarded. Total identified disallowed costs, including indirect, from this subsequent review amounts to \$4,741.54. KCC returned the disallowed funds to EC Works, received on May 6, 2021.
- c. EC Works will create a form for ongoing provider use as an aid in tracking tuition and other education-related expenses by quarter, and the sources of funds covering the expenses, to quickly identify any refunds due to WIOA. KCC will maintain copies of this form in participant files to support funding coordination.

5. Recommendations: None

Final Program Findings, Observations &

Recommendations: Findings: None

Corrected Observations: A duplicate OJT payment entered for a participant both in the DW record and in the DWG record. KCC staff implemented the appropriate corrections to the I-Trac participant record.

Recommendations: None

We appreciate your partnership with EC Works. Thank you for your time during the review procedures.

Please contact EC Works with any questions at 541-213-0684 or email to Jessica@ecworks.org or Jamie@ecworks.org.

Jessica Fitzpatrick, Director of Compliance & Operations

Jamie Kendellen, CFO

CC: EC Works Leadership Team

