

Northwest Workforce Council Meeting Minutes
January 29, 2025

Action Taken:

- Approval of the November 20, 2024 Full Council Meeting Minutes
- Approval of the FY 2023 and 2024 Annual Audit conducted by Alegria & Co.
- Approval of Solicitation Process and Procurement materials for Independent Auditor
- Approval of Board ByLaws revision (Rev 01/2025)
- Approval of 2025 Slate of Officers

Note: All approved Council and Committee minutes can be found on the Council's website: www.nwboard.org.

I. Call to Order

Chair Mark Vorobik called the meeting to order at 1:33 p.m., and welcomed new members and guests. He introduced Gilbert Plascencia and Renee Arnits of Alegria & Co., who joined the meeting to present the Council's annual audit report.

Mark also welcomed the following individuals:

- Kari McVeigh, newly appointed San Juan County Councilmember, replacing Jane Fuller.
- Jill Johnson, newly appointed Island County Commissioner, replacing Janet St. Clair. Jill has previously served on the Council's Consortium Committee.
- Diane Miltenberger, visiting DSHS representative.
- Michael Reese, representative from Skagit Valley College.

He expressed appreciation for their participation and looked forward to their contributions to the Council's ongoing workforce development efforts.

II. Consent Agenda

A. Minutes of November 20, 2024, Full Council Meeting

Kari McVeigh moved approval of November 20, 2024, Full Council Meeting Minutes. Jill Johnson seconded, and the motion passed unanimously.

B. Procedural Requirement: Annual receipt of NWC Policy #01-37 Code of Ethics, Conflict of Interest and Protected Disclosure Policies

Chair Vorobik referred members to their meeting packets, which included NWC Policy #01-37: Code of Ethics, Conflict of Interest, and Protected Disclosure Policies. Members were reminded that this policy is reviewed annually to ensure compliance with state and federal regulations and to reinforce ethical governance practices within the Council.

Members acknowledged receipt and review of NWC Policy #01-37 and affirmed their commitment to adhering to its principles.

III. Chair's/Executive Committee Reports

A. 2024 Annual Single Audit and Financial Statements – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (formerly A-133 Audit) with Guest: Gilbert Plascencia of Alegria and Co. RE: NWC's completed PY23 audit

Mark welcomed and introduced Gilbert Plascencia, CPA, CFE, Senior Manager at Alegria & Co., who provided an overview of the Northwest Workforce Council's annual independent financial audit requirements under the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, which governs Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Plascencia presented the Council's Draft Financial Statement for the Year-End 2024 Audit, highlighting key findings. The audit once again resulted in a clean opinion, with no questioned costs or findings, reaffirming the Council's strong financial management and compliance.

The following items were reviewed during Alegria's presentation:

- *Draft Audit Committee Letter.* Gilbert Plascencia reported that the audit resulted in a clean opinion, with no adverse findings or deficiencies in internal controls identified. He presented the Audit Committee Letter, a required communication prepared by the auditors, which affirms that all significant transactions were properly recorded in the financial statements within the correct reporting period. He confirmed that no sensitive estimates were identified that could materially impact the financial statements and that no material misstatements were detected during the audit process. Additionally, he stated that no disagreements or difficulties were encountered with management throughout the audit. Following the presentation, no questions or concerns were raised by the committee regarding the Audit Committee Letter.
- *Draft Financial Statement for 2023 and 2024.* Gilbert also discussed the *Draft Financial Statement for 2023 and 2024*. Gilbert Plascencia emphasized that the Board should be aware that management prepares the financial statements, and no adjusted journal entries were required during the audit. The financial statement audit received a clean, unmodified opinion, with no deficiencies in internal controls identified. He confirmed that the audit was free of adverse findings and received the highest level of commendation.

Additionally, Gilbert highlighted the Schedule of Findings and Questioned Costs, noting that there were no deficiencies in internal controls related to major federal award programs (WIOA). He further affirmed that no breakdowns in internal controls required attention, emphasizing that NWC maintains strong internal controls to ensure financial integrity and compliance.

- *Draft Management Letter. Focus on internal controls and other observations.* The Management Letter confirms that auditors identified no deficiencies in

internal controls or material weaknesses. Gilbert Plascencia stated that the financial statements will be issued with an unmodified opinion, indicating full compliance with accounting standards. Furthermore, he affirmed that the Audit Committee Letter, financial statements, and Management Letter were all free of concerns, reflecting a clean audit with no findings.

Following brief discussion, Robin Plume moved approval of the audit as presented. Hart Hodges seconded, and the motion passed unanimously.

B. Updated local NWC Policies:

Mark reiterated that the Executive Committee has been designated to oversee board involvement and approve updates to local policies, ensuring alignment with regulatory requirements and organizational governance.

- **Draft NWC Policy: EcSA 01-22, Rev 3: Incentive Payments for State Funded EcSA Participants**

Mark directed members to the briefing note and draft policy, EcSA 01-22, Rev 3: Incentive Payments for State-Funded EcSA Participants, which was provided for review prior to the meeting. Malinda provided an overview, explaining that the policy applies to state-funded EcSA programs, one of three funding sources under the Economic Security for All (EcSA) initiative.

The proposed revisions are designed to enhance flexibility as the fiscal year concludes for both EcSA and Community Reinvestment Program (CRP) funds. A key update allows the \$1,000 monthly stipend to be funded through EcSA rather than CRP, providing a strategic advantage since EcSA funds permit up to 20% carryover, whereas CRP funds do not. Previously, the policy required board approval under a directive from the Employment Security Policy Division. However, given that Grants Management approval is required, public comments are now being solicited to remove this additional requirement.

These updates, endorsed by Grants Management, improve funding adaptability, streamline resource allocation, and enhance incentives for program participants while ensuring compliance with funding regulations.

- **Minimum Wage Paid to WIOA Work Experience Participants**

In 2024, the board approved the establishment of a regional minimum wage at the highest rate set by any regulatory authority within NWC's four-county region, with the stipulation that the Executive Committee review and approve the rate annually.

Mark provided an update on the City of Bellingham's phased approach to adjusting its minimum wage, aiming to maintain a rate consistently \$2 above the state minimum wage. In 2025, the city implemented a two-step adjustment process: as of January 1, 2025, Bellingham's minimum wage increased to \$17.66, which is \$1

above the state's rate of \$16.66. A second increase is scheduled for May 2025, raising the rate to \$18.66.

To streamline future adjustments, the Executive Committee adopted a standardized approach to eliminate the need for recurring votes each time the minimum wage changes. Members agreed to continue aligning the regional minimum wage with the highest rate set by any regulatory authority within the four-county region, while maintaining the annual review process by the Executive Committee. Additionally, if the regional rate exceeds \$3 above the state's minimum wage, staff would be required to present the matter to the Executive Committee for further review and consideration.

C. Solicitation Packet for Firm to Conduct Annual Audits

Mark directed committee members to review the audit solicitation materials included in their meeting packets, which consisted of the Audit Firm Solicitation Letter and the Request for Quotes (RFQ). These documents will be distributed to identified audit firms and publicly posted on the NWC website.

To ensure a comprehensive and competitive procurement process, NWC conducted a statewide survey of comparable Workforce Development Councils (WDCs) to identify best practices and potential audit firms. As a result, two additional firms were identified alongside Alegría & Co. for inclusion in the RFQ distribution. This approach is consistent with NWC's procurement policy and the requirement for periodic open procurement processes to promote transparency and competitiveness.

Mark outlined the procurement timeline, noting that the RFQ will be issued on February 3, 2025, followed by a Q&A period throughout February. Responses will be due by March 7, 2025, after which all submissions will be evaluated. The Executive Committee will review the recommendations at their next scheduled meeting. The awarded audit contract will cover one fiscal year, with an option to renew for up to three additional years.

Following discussion, Jessica Barr motioned to approve the solicitation process and procurement materials for an independent auditor. Hart Hodges seconded, and the motion passed unanimously.

D. Board Bylaw update

Mark directed members to the briefing notes and draft bylaws included in their meeting materials, informing the council that the Executive Committee has recommended these updates for board approval. He emphasized that, in alignment with the Consortium Bylaw amendment, which transitioned the board structure from a 27-member JTPA board to a 19-member WIOA board, the Executive Committee membership may also be reduced from seven members to five.

Mark explained that this proposed reduction is intended to enhance efficiency, streamline decision-making, and improve governance. A smaller, more agile Executive Committee will

facilitate quicker deliberations, address scheduling challenges, and ensure more effective oversight. While reducing the number of members, the adjustment maintains diverse representation and fosters stronger engagement and collaboration among committee members.

Furthermore, this change aligns with best practices in agile leadership, allowing the board to adapt to evolving organizational needs while maintaining a strategic and responsive governance structure.

Robin Plume motioned to approve the amended NWC Board Bylaws (Rev 01/2025). Jessica Barr seconded, and the motion passed unanimously.

IV. Chief Executive Officer Report

Marissa shared information on the following items:

A. National Association of Workforce Board's (NAWB) Annual Forum March 29 - April 1, 2025

Marissa informed the committee that the National Association of Workforce Boards (NAWB) Annual Forum will take place in Washington, D.C., from March 29 to April 1, 2025. Representing Northwest Workforce Council (NWC) at the event will be board members Mark Vorobik and Kevin Corrigan, alongside herself and staff members Scott Iddings and Liz Vaughn.

This premier workforce development conference brings together leaders from across the nation, including Workforce Development Board representatives, policymakers, educators, industry experts, and federal agency officials. The forum serves as an opportunity to engage in national policy discussions, explore innovative workforce strategies, and gain insights into emerging trends that shape the future of workforce development.

Attendees will participate in expert-led sessions, panel discussions, and networking opportunities, focusing on best practices, funding strategies, program innovations, and legislative updates impacting the workforce system. Key topics of interest are expected to include WIOA reauthorization, sector-based partnerships, digital equity initiatives, and workforce solutions for high-demand industries.

Marissa emphasized that participation in the NAWB Forum will enable NWC to bring back valuable insights, innovative strategies, and national best practices to enhance workforce development efforts in Northwest Washington. Additionally, it will provide an opportunity to strengthen partnerships with federal and state stakeholders and advocate for funding and policy priorities that align with NWC's mission and regional workforce needs.

B. WIOA Re-Authorization "A Stronger Workforce for America" (ASWA)

Marissa provided an update on the Workforce Innovation and Opportunity Act (WIOA) reauthorization, specifically the status of the Stronger Workforce for America Act (ASWA). She noted that there has been no significant movement on the legislation, and it remains stalled in Congress. While there are indications that the bill may be reconsidered later in the year, potentially in October or December, there is no definitive timeline for its advancement.

Given the importance of WIOA funding to workforce programs nationwide, Marissa emphasized the need for ongoing monitoring of federal legislative activity. She highlighted that workforce

boards across the country continue to operate under existing WIOA provisions and are actively advocating for reauthorization to provide long-term stability and enhanced funding opportunities.

Additionally, she stressed the importance of staying informed on federal funding freezes and broader fiscal uncertainties, as these could impact the availability of resources for workforce development programs at both the state and local levels. As federal budget negotiations unfold, workforce funding may be subject to continued delays or reductions, reinforcing the need for proactive planning and strategic advocacy efforts.

The Board will be kept informed as more concrete updates become available, and staff will continue to engage with national workforce associations, policymakers, and regional partners to assess potential implications for NWC programs.

C. Business Engagement Strategies Taskforce

Marissa invited Scott to provide an update on the Business Engagement Strategies Task Force and its upcoming meeting. Scott informed the Board that the first meeting of the Task Force is scheduled for Thursday, January 30th. This organizational meeting will serve as a foundational session to establish the task force's strategic objectives for the next 18 to 24 months.

The initial priority will be the revision and modernization of the regional business services plan, which was last updated in 2014 and contains outdated strategies. The task force will conduct a comprehensive assessment of existing business engagement strategies, identifying those that should be reinvigorated, refined, or removed to ensure greater alignment with current workforce and industry needs. This effort aims to enhance business service opportunities and expand employer engagement initiatives across the region.

Currently, seven community and board members are participating in the task force. Additional stakeholder engagement is ongoing, with a particular focus on recruiting representatives from Island and San Juan counties, as well as key industry sectors, including marine and healthcare. The task force's work will play a critical role in strengthening regional workforce-business partnerships and ensuring NWC's business engagement strategies remain responsive to evolving economic conditions and industry demands.

D. Request to Provide WIOA IB Youth, Adult, and Dislocated Worker Program Services

Marissa informed the council that State Workforce Board staff recently provided an update on NWC's request to extend WIOA Title IB service delivery. As the council is aware, NWC directly administers Adult, Youth, and Dislocated Worker programs, a role requiring state approval under WIOA policy guidelines.

The State Workforce Board is scheduled to review NWC's application on March 20th, at which time further discussions will take place regarding the council's continued authority to deliver WIOA services directly. While deliberations continue, staff are actively engaging with workforce partners to ensure NWC's capacity, program outcomes, and alignment with federal priorities are clearly presented.

Marissa emphasized that securing approval for continued direct service provision is a critical priority for the organization, as it ensures program continuity, service delivery stability, and the

ability to respond directly to regional workforce needs. The council will be kept informed of any developments following the March 20th meeting, and staff will continue to monitor policy changes, potential implications, and necessary actions to support the council's strategic objectives in workforce service delivery.

V. Nominating Committee Recommendations for Council's 2025 Slate of Officers

As part of the annual governance process, Board Chair Mark Vorobik appointed the Nominating Committee for the 2025 Slate of Officers, designating Robin Plume and Tonja Myers to oversee the nomination process. He noted that, in accordance with the Council's By-Laws, the election of officers takes place annually during either the final Full Council meeting of the calendar year or the first meeting of the new year.

Mark expressed appreciation to all board and committee members for their dedication and service, emphasizing the significant impact of their collective efforts in supporting workforce development, fostering economic mobility, and creating opportunities for individuals across the region. He then invited Robin Plume to present the Nominating Committee's recommended slate of officers for the 2025 Executive Committee.

Robin introduced the proposed 2025 Slate of Officers (Executive Committee)

- Mark Vorobik – Chair (Business Sector)
- Kevin Corrigan – Vice Chair (Business Sector)
- Lori Province – Secretary (Labor)
- Hart Hodges – Member-at-Large (Business Sector)

She also reminded members that, per the Council's By-Laws, the Chief Local Elected Official (CLEO), Whatcom County Executive Satpal Sidhu, serves as an ex officio member of the Executive Committee.

The proposed 2025 slate of officers was unanimously approved on a motion by Kari McVeigh, seconded by Jill Johnson.

VI. Board Business

A. PY 2024 Q2 Community Success Stories

Marissa invited Scott Iddings to provide an update on the latest Community Success Stories highlighting the impact of NWC programs on participants and businesses. Scott shared that success stories from the first quarter of PY 2024, spanning all WIOA IB programs, have been compiled and are now accessible on the Board's website under the "About Us/Community Impact" section.

He commended the dedication and commitment of NWC staff in guiding participants toward meaningful career pathways, emphasizing that these stories reflect the transformative role workforce programs play in improving lives and strengthening communities.

This quarter's spotlight story focuses on the power of partnerships in addressing community workforce needs. It features a young adult who was struggling to find direction but, through engagement with the Northwest Workforce Council, secured a three-month paid internship at Habitat for Humanity. This hands-on experience provided valuable skills and work readiness, paving the way for their next step: enrollment in a WIOA-funded construction pre-apprenticeship program with a local non-profit.

Scott encouraged board members to explore these and other inspiring success stories, underscoring the real-world impact of NWC's workforce initiatives. He emphasized that by leveraging partnerships and expanding access to training opportunities, NWC continues to drive positive outcomes for individuals, businesses, and the broader community.

VIII. System Oversight

Marissa provided an update on NWC's performance reporting, noting that there have been no significant updates since the November 2024 meeting. She reminded the council that all reports and key performance metrics are available online through the Council's website, ensuring transparency and accessibility for board members and stakeholders.

She further noted that Program Year (PY) 2024 second-quarter performance data is currently being finalized and will be published within the next week. Once available, this data will be integrated into the Council's reporting system and updated online, allowing board members to review key workforce outcomes, program effectiveness, and participant engagement metrics.

Marissa encouraged council members to utilize these reports as a resource to track progress, assess program impact, and support data-driven decision-making in advancing workforce development strategies across the region. She also reiterated NWC's commitment to maintaining transparency and accountability, ensuring that performance insights remain readily accessible to inform policy discussions and operational planning.

Old Business – None

New Business – None

Public Comment – None

Adjournment The meeting was adjourned by Chair, Mark Vorobik at 2:20 PM.

Attendance:

Board Members:

Mark Vorobik, *Business Sector, Skagit County*
Hart Hodges, *Business Sector, Whatcom County*
Robin Plume, *Business Sector, Whatcom County*
Tonja Myers, *Business Sector, Whatcom County*
Kevin Corrigan, *Business Sector, Skagit County*
Lynette Brower, *Higher Education, Skagit County*
Adele Skinner, *Business, Skagit County*
Kyle Jones (Alternate), *DSHS Division of Vocational Rehab, Regional*
Tammie O'Dell (Alternate), *Labor, Skagit County*
Jessica Barr, *Labor, Regional*

Local Elected Officials:

Kari McVeigh, *San Juan County Official*
Jill Johnson, *Island County Official*
Satpal Sidhu, *Whatcom County Official*

NWC Staff:

Marissa Cahill, *Executive Director*
Malinda Bjaaland, *Director of Programming*
Liz Vaughn, *Executive Administrative Manager*
Scott Iddings, *Workforce Programs Manager*

Guests:

Michael Reese, *Skagit Valley College*
Diane Miltenberger, *DSHS, Regional*