



North Central Counties Consortium

“Supporting Economic Vitality in the Counties of Colusa, Glenn, Sutter and Yuba”

**NCCC
WORKFORCE DEVELOPMENT BOARD
Thursday, May 16, 2024
2:00 pm**

Location:

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
BOARD ROOM
970 Klamath Lane
Yuba City, CA

- | | | | |
|-----|------|---|--------------|
| 1. | 2:00 | Call to Order | John Fleming |
| 2. | | Pledge of Allegiance | John Fleming |
| 3. | | Roll Call | Tisha Smith |
| 4. | 2:05 | Welcome | John Fleming |
| 5. | 2:10 | Public Comment | |
| 6. | 2:15 | Approval of Minutes (Attachment A) – <i>John Fleming</i> <ul style="list-style-type: none">• February 15, 2024 Workforce Development Board Meeting | Action |
| 7. | 2:20 | Director’s Report – <i>Cindy Newton</i> | Information |
| 8. | 2:25 | Approval of 2024 RFP Funding Recommendations for One Stop Operators And Special Youth Providers (Attachment B) – <i>Liz Barber</i> | Action |
| 9. | 2:30 | Approval of Fiscal Committee Report (Attachment C) – <i>Glenn Denno</i> <ul style="list-style-type: none">• Training Requirement• FY 2024/2025 NCCC Administration Budget• FY 2024/2025 NCCC WDB/Governing Board Budget | Action |
| 10. | 2:35 | Acceptance of FY 2022/2023 Single Audit Report (Attachment D)
- <i>Hiep Pham, CPA</i> | Action |



NCCC is a proud partner of America’s Job Center of CaliforniaSM network.

11. 2:45 Colusa Industrial Properties – *Rainey Kalfsbeek, CFO* Presentation
12. 3:00 Program Performance Report (Attachment E) – *Cindy Newton* Information
13. 3:05 NCCC WIOA Performance PY 22-23 (Attachment F) – *Cindy Newton* Information
14. 3:10 Service Provider Program Updates Information
 - Upward Bound
 - Colusa
 - Glenn
 - Sutter
 - Yuba
15. 3:30 Other Business Information
 - Next Board Meeting is Thursday, May 16, 2024
Location: TBD
16. 3:35 Adjournment

Please note the listed times for agenda items are approximate and may change during the course of the meeting.

Agenda materials are provided to Board Members and One Stop Directors. Meeting agendas and minutes can be viewed on NCCC's website at: <http://www.northcentralcounties.com/wib.html>. Other documents are available to the public upon request. NCCC is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

ATTACHMENT A: ACTION

**APPROVAL
OF MINUTES**

**February 15, 2024
Workforce Development Board Meeting**

**NCCC
WORKFORCE DEVELOPMENT BOARD
MINUTES**

February 15, 2024

1. CALL TO ORDER

The meeting was called to order by Workforce Development Board (WDB) Chair John Fleming at 2:01 pm at Colusa Industrial Properties Conference Room.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL – Quorum present

WDB Members Present: Jeff Armstrong, Gurprit Bains, Cari Berlin, Lee Bishop, Glenn Denno, Jamie Dickerson, Dr. Tawny Dotson, John Fleming, Randy Fletcher, Neil Goforth, Matt Goody, Rainey Kalfsbeek, Priti Kumar, Ron Moore, Lorilee Niesen, Leslie Rubalcava, and Tom Williams

WDB Members Absent: Fortino Curiel, Juan Delgado, Amy Schmidt, Brynda Stranix

4. WELCOME

Everyone was welcome and thanked for attending.

5. PUBLIC COMMENT

John Fleming announced there are new board members present; Rainey Kalfsbeek, Priti Kumar, Cari Berlin, Jamie Dickerson and Gurprit Bains.

6. GOVERNING BOARD PASSES MEETING OVER TO WDB CHAIR

The Governing Board met earlier and will not be joining in today's meeting.

7. APPROVAL OF MINUTES

WDB Action: Motion–Jeff Armstrong, second-Randy Fletcher; WDB approved the minutes of the November 16, 2023 board meeting as presented. *Motion Carried*

8. DIRECTOR'S REPORT –

Cindy Newton presented the following Director's Report:

- Two new grants have been awarded. The National Dislocated Worker Grant that serves dislocated workers and long-term unemployed; and the STEP Grant that serves in-school disabled youth up to age 22.

- No recent monitoring from the state
- NCCC is working on our single audit, due at end of March.

9. FISCAL COMMITTEE REPORT

- Neil Goforth reviewed the Summary of Training Expenditure Requirements for the PY 2023-24 allocations. As of 12/31/23 NCCC was on track to meet the 20% training expenditure requirement and finished over by \$1,646.

10. APPROVAL OF NEW GRANT APPLICATIONS

Liz Barber presented the following two grant applications:

- Opportunity Young Adult Career Pathway

Focuses on In-Demand Industries that provide quality jobs with livable wages. Activities will include work experience, on-the-job training, apprenticeship and vocational training as well as a cohort for our construction program. Serves people 18-28 years old that are justice impacted, English language learners, homeless and housing insecure individuals, and people with disabilities. The grant period is 4/1/24 – 3/31/26.

- Breaking Barriers 2.0

Focuses on In-Demand Industries that provide quality jobs with livable wages. Activities will include work experience, on-the-job training, apprenticeship and vocational training. Serves people 18 years and older with developmental or other disabilities, the grant period is 5/1/24 – 4/30/25.

WDB Action: Motion – Randy Fletcher, second - Leslie Rubalcava; WDB approved the Opportunity Young Adult Career Pathway and Breaking Barriers 2.0 Grant applications and authorized the Executive Director to finalize any award to NCCC. *Motion Carried.*

11. FREEDOM HOME HEALTH & HOSPICE

Board member, Gurprit Bains gave a presentation on his company, Freedom Home Health & Hospice. He founded his company due to the lack of home health and hospice services in our community as well as the low level of quality of these services. He covers 18 counties from Tehama and Shasta counties down to Sacramento and Solano counties with a staff that has grown from 3 to 200. He provided informational brochures and contact information.

12. ESSENTIAL SKILLS (SOFT SKILLS) WORKGROUP REPORT

Lorilee Niesen provided an update on the Essential Skills Workgroup. The focus being career-ready certificates that confirm participants skills obtained and their level of career readiness. Progress on the certificates was well received by the board and met with very positive feedback. The certificates will be presented to the Chamber of Commerce.

13. PROGRAM PERFORMANCE REPORT

Cindy Newton updated the board on 2nd Quarter Program Performance.

Adult Program: High Entered Employment Rate

Dislocated Worker: Decline in numbers due to less people being laid off from jobs.

Youth: Have enrolled about 60 less youth; good entered employment/education rate.

NDWG 2023 Severe Winter Storm (Colusa Only): Ahead of planned enrollment and spending.

NDWG Quest: Counties have exceeded their enrollments and numbers in training.

Pre-Apprenticeship Construction: 52 enrolled, 39 completed with earned certificates, 12 have entered employment, other have entered registered apprenticeship programs.

NDWG Career: Have exceeded numbers in trainings and entered employment.

WAF Homeless to Hopeful 2.0: Have exceeded number of enrollments and training.

Prison to Employment: 16 of 18 planned are already enrolled.

Equity and Special Populations: Have exceeded numbers in enrollment, trainings and entered employment.

14. SERVICE PROVIDER UPDATES

Upward Bound (UB): Director Maria Moreno reported they are incorporating the fundamentals of “essential skills” into their program through workshops; Prepping for their 6-week summer program, interviewing 365 applicants to fill 110 available spots; Taking 40 students on college tours during spring break; Working hard to make sure their senior students have their college and financial aid applications completed.

Colusa One Stop/AJCC: Director Angie O’Canas reported there has been an increase assisting job seekers with resumes, job search, career exploration, and vocational trainings; An increase in helping businesses that are having trouble hiring within the county through career websites; Just started their Volunteer Income Tax Assistance Program that’s free of charge, they served over 360 people last year; Gearing up for the STEP Program; They’ve enrolled 20 applicants into CCOE’s Fire Academy and 8 into CCOE’s CNA Training; Attended CCOE’s On-the-Spot Hiring Event, assisting job seekers with resumes/cover letters as well as support services to new hires; Planning a Spring Job Fair on May 8th in Williams at the Education Village; Collaborating with CCOE to hold ESL classes Monday – Friday morning in the computer lab.

Glenn County One Stop/AJCC: Community Action Manager Yassi Lam reported that Glenn County Community Action Department along with Glenn County Office of Education and Glenn County Personnel Department are co-hosting two spring job fairs, April in Orland and May in Willows; Spring 2024 session of YES has started using a virtual model in an effort to reach as many students

as possible, currently working with participants of the fall session to sponsor their work experience activity; Plan to participate in the 8th grade Glenn Butte Career Day in Chico, 2100 students have signed up and 90 exhibits are scheduled; Seeing an uptick in vocational training interests in truck driving, health care training and welding; Providing Rapid Response Assistance in Ag sector and two food establishments; Received a WARN notice for a large seed producer impacting 56 employees and contract workers.

Sutter County One Stop/AJCC: Director Rinky Basi reported the CNA classes and MA cohort have started, their cosmetology school and salon are open; Staff is busy with workshops; They've been enrolling participants in Yuba College programs, 15 new RN's, 3 new site tech's and 8 new auto techs; Working with Yolo Co with layoffs at Rite Aid Distribution Center, 25-30 employees impacted from Sutter Co. area; Busy with Career Fair, May and April Job Fairs; Working on the Pre-Apprenticeship program that starts in April.

Yuba One Stop/AJCC: Gail Manley reported some of their nurses have graduated and obtained employment; Workshop classes are filling up; CNA and MA classes have started; Hosting a fork lift class; Have had alot of WEX and OJT's turn into unsubsidized employment; Have been strengthening partnerships with employers and agency's through new grants; Yuba Co Office of Education has received a grant for a youth center where Yuba County One Stop will offer youth services; Gearing up for pre-apprenticeship classes; Yuba County One Stop is hosting an expungement workshop on February 26th and will host a Debt Forgiveness Clinic

15. OTHER BUSINESS

Mileage forms were not included in packets, but were emailed. May be submitted via email for reimbursement.

New WIOA contracts will need to be approved at the next meeting, a quorum must be present.

The next board meeting is scheduled for May 16, 2024.

16. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:58 pm.

ATTEST:

John Fleming, Chair
Workforce Development Board

APPROVED ON: _____

ATTACHMENT B: ACTION

**APPROVAL OF
2024 RFP FUNDING
RECOMMENDATIONS**



North Central Counties Consortium

“Supporting Economic Vitality in the Counties of Colusa, Glenn, Sutter and Yuba”

Administrative Staff Report
May 16, 2024

Request for Proposal Procurement Recommendation
Workforce Innovation and Opportunity Act
One Stop Operators and Service Providers and Special In-School Youth Providers
Colusa, Glenn, Sutter and Yuba Counties

Background: In accordance with the NCCC Procurement Policy, the Governing Board and the Workforce Development Board of the North Central Counties Consortium released two Requests for Proposals (RFP) on February 26, 2024 to competitively procure Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker and Youth funded services and to competitively procure a WIOA funded Special In-School Youth project.

Purpose: The purpose of the WIOA Adult, Dislocated Worker and Youth RFP was to solicit proposals from qualified bidders to manage WIOA funds through the operation of America’s Job Centers (AJCC) of California in the counties of Colusa, Glenn, Sutter and Yuba and to provide comprehensive employment and training services to WIOA eligible Adults, Dislocated Workers and In-School and Out-of-School Youth; Business Services to local employers; to provide Rapid Response services in the event of layoffs or closures; and to provide other workforce activities that are necessary. The contract period for this solicitation is from July 1, 2024 through June 30, 2025 with the possibility of a second, third and fourth year contract extension based on successful performance, expenditures and available funds.

The purpose of the WIOA Special In-School Youth RFP was to solicit proposals from qualified bidders to run year-round services to In-School Youth in the counties of Colusa, Glenn, Sutter and Yuba. The contract period for this solicitation is from July 1, 2024 through June 30, 2025 with the possibility of a second, third and fourth year contract extension based on successful performance, expenditures and available funds.

Discussion: There was only one proposal submitted for each county for AJCC Operations and service provision and only one proposal for the Special In-School Youth Provider. Proposals were reviewed for viability and a cost analysis was conducted. All proposals are recommended for funding and a sole source justification is appropriate as competition was determined inadequate based upon receipt of only one proposal for each county and only one proposal for the Special In-School Youth Provider. Agencies which submitted proposals are as follows:

- Colusa One Stop Partnership - Colusa County AJCC
- Glenn County Health & Human Services Agency - Glenn County AJCC
- Sutter County Superintendent of Schools - Sutter County AJCC
- Yuba County Office of Education - Yuba County AJCC
- California State University, Chico/Upward Bound Program – In-School Youth Provider (All Counties)

Recommendation: It is recommended that the Governing Board and the WDB approve the above bidders to be awarded funding and authorize the NCCC Executive Director to negotiate contracts.



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ATTACHMENT C: ACTION

APPROVAL OF FISCAL COMMITTEE REPORT

- **Training Expenditure Requirement**
- **FY 2023/2024 NCCC Administration Budget**
- **FY 2023/2024 NCCC WDB/Governing Board Budget**



SUMMARY OF TRAINING EXPENDITURE REQUIREMENTS PY 23/24 ALLOCATIONS

(Sep 2023 through Sep 2024) As of 3/31/2024

<u>ADULT AND DISLOCATED WORKER (DW) ALLOCATION</u>		2,225,815
<u>TRAINING REQUIREMENT</u>	30%	667,745
<u>FORMULA FUNDING TRAINING EXPENDITURES</u>	17.57%	391,124
<u>LEVERAGED TRAINING</u>	10%	0
<u>TOTAL ON TRAINING</u>	17.57%	391,124

445,163 20% Must Be Formula Fund Training
 222,582 10% Can Be Leveraged Resources
 When 20% Requirement is Met
 54,039 Amount still needed to attain 20%

CURRENT EXPENDITURES TO TRAINING % AS OF 3/31/2024:	Exp.	Trng.	
	1,354,154	391,124	28.88%

<u>LEVERAGE SOURCES</u>	<u>COLUSA</u>	<u>GLENN</u>	<u>SUTTER</u>	<u>YUBA</u>	<u>Total</u>
CAREER 2067	62,930	0	30,405	42,202	135,537
ESP 1245	33,155	4,559	4,292	0	42,006
WAF 1252	1,447	17,343	2,588	13,469	34,846
QUEST 1262	20,274	29,102	64,753	115,219	229,347
Total	117,806	51,003	102,037	170,890	441,736

NORTH CENTRAL COUNTIES CONSORTIUM PY 24/25
 PROPOSED BUDGET
 ADMIN OFFICE

24/25 NCCC Budget Proposed				
A. Staff Cost	STAFF	% OF TIME	# OF MONTHS	TOTAL
NCCC STAFF SALARIES	4	100	12	428,934
Part Time Retired Annuitant	1	30	12	37072
1. SALARIES				466,006
B. Fringe Benefits (List)	TOTAL SALARIES	RATE		TOTAL
PERS	428,934			187,351
MEDI	466,006	1.65%		7,689
UI 7000.00 x 5	35,000	2.20%		770
ETT 7000 x 5	35,000	0.10%		35
WC	466,006	3.20%		14,912
HEALTH 4 @ 12 MO.				84,156
2. TOTAL FRINGE BENEFITS	Benefit Rate	63.29%		294,913
3. Total Staff Costs (1+2)				760,919
C. NON-STAFF COST	OVERHEAD	% of Total		TOTAL
SUPPLIES	9,000.00	1.00%		9,000
COPIER/PRINTING	5,000.00	0.55%		5,000
MILEAGE / STAFF	3,000.00	0.33%		3,000
CONFERENCE / MEETINGS	9,000.00	1.00%		9,000
TRAININGS	15,000.00	1.66%		15,000
UTILITIES	5,000.00	0.55%		5,000
POSTAGE	2,000.00	0.22%		2,000
TELEPHONE / INTERNET	8,000.00	0.89%		8,000
RENT	40,000.00	4.43%		40,000
OUTREACH	2,000.00	0.22%		2,000
EQUIPMENT / MAINTENANCE / IT	25,000.00	2.77%		25,000
MEMBER DUES-	6,000.00	0.67%		6,000
PROFESSIONAL AGREEMENTS	12,000.00	1.33%		12,000
4. NON-STAFF COST TOTAL	141,000.00			141,000
5. TOTAL BUDGET	901,919			901,919
With Board	955,419			

Possible revision after fund allocation

PY 24/25 BOARD BUDGET PROPOSED			
	ADMINISTRATION	TOTAL	
SUPPLIES	1,500	1,500	
POSTAGE		0	
COPIER/PRINTING		0	
MILEAGE / STIPEND / TRAINING	6,500	6,500	
BONDING AND LIABILITY INSURANCE	14,500	14,500	
ADVERTISING	0	0	
MEMBER DUES-CWA / NWA	6,000	6,000	
AUDIT SERVICES/LEGAL	25,000	25,000	
COST	53,500	53,500	
Total Budget NCCC and Board	955,419	955,419	

NORTH CENTRAL COUNTIES CONSORTIUM
 PY 24/25
 PROJECTED ALLOCATIONS

Projected Carry Over Money to PY 24/25	Ends	Estimated Formula Funds 24/25	25/26 Carry In
			30%
Adult 201	102,660	6/2024 Adult 126,289	37,887
DW 501	83,453	6/2024 DW 96,293	28,888
Youth 301	91,720	6/2024 Youth 130,135	39,041
CAREER NDWVG 2067	0	9/2024 RR 66,559	<u>105,815</u>
QUEST 1262	14,618	9/2024 RRLA 19,408	21,000 QUEST
COLUSA STORM 1271	12,888	4/2025 Sub Total 438,684	36,175 HRCC
QUEST II 1278	60,299	9/2026	48,585 ELL IET
HRCC 2080	56,468	3/2026	<u>105,760</u>
ELL IET 2083	267,218	12/2026	
P2E 2 2101	1,000	11/2025	
RERP 2102	10,148	8/2025 New Grants and/or Increase Requests	Received
STEP 333	70,000	12/2025	
Sub Total	<u>770,472</u>	Spring Storm	No
		Opport. Y Adult	200,000 No
		Sub Total	0
Total	1,209,156		
Minus Proj. Carry In 25/26	<u>211,575</u>		
Estimated Funding 24/25	997,581		
Budget 24/25	955,419		
Budget 23/24	903,480		
Increase/Decrease Yr to Yr:	51,939		

ATTACHMENT D: ACTION

ACCEPTANCE OF FY 2022/2023 SINGLE AUDIT REPORT

A hard copy of the Single Audit Report will be handed out at the board meeting. An electronic copy of the Audit Report is included in the board meeting packet that was sent to you by email.

Hiep Pham, CPA Inc.

41041 Trimboli Way #1926, Fremont, CA 94538 | Phone: (510) 789-7736 | www.hiepphamcpa.com

March 12, 2024

Governing Board
North Central Counties Consortium
Yuba City, California

I have audited the financial statements of the governmental activities and major fund of North Central Counties Consortium for the year ended June 30, 2023. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of my audit. I have communicated such information in my letter to you dated November 8, 2023. Professional standards also require that I communicate to you the following information related to my audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by North Central Counties Consortium are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during year. I noted no transactions entered into by North Central Counties Consortium during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the governmental unit's financial statements was (were):

- Management's estimate of the allowance for uncollectible accounts receivable is based on historical collection rates. I evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the depreciable lives of property and equipment is based on an estimate of the average number of years an asset is considered usable before its value is fully depreciated. I evaluated the key factors and assumptions used to develop the depreciable lives of property and equipment in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the right-to-use asset and lease payable in accordance with GASB N0, 87 is based on the future minimum lease payments under the lease agreements. I evaluated the key factors and assumptions used to develop the right-to-use asset and lease payable in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the cost allocation plan is based on an analysis of the agency's cost allocation plan. I evaluated the key factors and assumptions used to develop the cost allocation plan in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management’s estimate of the net pension liability, deferred outflows of resources and deferred inflows of resources is based on GASB No. 68 calculations provided by CalPERS. I evaluated the key factors and assumptions used to develop the net pension liability, deferred outflows of resources and deferred inflows of resources in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor’s report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations

I have requested certain representations from management that are included in the management representation letter dated March 12, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to North Central Counties Consortium’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as North Central Counties Consortium’s auditors. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Other Matters

I applied certain limited procedures to the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of the Consortium’s Contributions - Pension Plan information, which are (is) required supplementary information (RSI) that supplements the basic financial statements. My procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

I was engaged to report on the Schedule of Revenues, Expenditures, and Changes in Fund Balances - All Program Services, the Schedule of Reconciliation of WIOA Expenditures, which accompany the financial

statements but are not RSI. With respect to this supplementary information, I made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to my audit of the financial statements. I compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

I was not engaged to report on the Schedule of Revenues, Expenditures, and Changes in Fund Balances - All Program Services, the Schedule of Reconciliation of WIOA Expenditures, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Governing Board and management of North Central Counties Consortium and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Hiep Pham, CPA Inc.

**NORTH CENTRAL COUNTIES CONSORTIUM
YUBA CITY, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS
AND
SINGLE AUDIT REPORT
FOR THE YEAR ENDED
JUNE 30, 2023**

Hiep Pham, CPA Inc.

TABLE OF CONTENTS

		<u>Page</u>
Independent Auditor’s Report.....		1-3
Management’s Discussion and Analysis.....		4-8
Basic Financial Statements:		
Statement of Net Position.....		9
Statement of Activities.....		10
Governmental Funds Balance Sheet.....		11
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.....		12
Notes to the Basic Financial Statements.....		13-26
Required Supplementary Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual.....	Schedule 1	27
Schedule of Proportionate Share of the Net Pension Liability.....	Schedule 2	28
Schedule of the Consortium’s Contributions - Pension Plan.....	Schedule 3	29
Supplementary Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - All Program Services.....	Schedules 4-6	30-32
Schedule of Reconciliation of WIOA Expenditures.....	Schedules 7-8	33-34
Schedule of Expenditures of Federal Awards.....		35
Notes to the Schedule of Expenditures of Federal Awards.....		36
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		37-38
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.....		39-41
Schedule of Findings and Questioned Costs.....		42
Status of Prior Audit Findings.....		43

Hiep Pham, CPA Inc.

41041 Trimboli Way #1926, Fremont, CA 94538 | Phone: (510) 789-7736 | www.hiepphamcpa.com

INDEPENDENT AUDITOR'S REPORT

Governing Board
North Central Counties Consortium
Yuba City, California

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities and major fund of North Central Counties Consortium as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the North Central Counties Consortium's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the North Central Counties Consortium, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the North Central Counties Consortium and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Central Counties Consortium's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards, I:*

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the North Central Counties Consortium's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Central Counties Consortium's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-8 and the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of the Consortium's Contributions - Pension Plan information on pages 27-29 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the North Central Counties Consortium's basic financial statements. The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances - All Program Services, the Schedule of Reconciliation of WIOA Expenditures and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated March 12, 2024, on my consideration of the North Central Counties Consortium's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the North Central Counties Consortium's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Central Counties Consortium's internal control over financial reporting and compliance.

Hiep Pham, CPA Inc.

Fremont, California

March 12, 2024

**NORTH CENTRAL COUNTIES CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the Year Ended June 30, 2023

This section of North Central Counties Consortium's (the Consortium) basic financial statements presents management's overview and analysis of the financial activities of the Consortium for the fiscal year ended June 30, 2023. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

Introduction to the Basic Financial Statements

The required financial statements include the Government-wide and Fund Financial Statements; Statement of Net Position and Governmental Funds Balance Sheet; Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.

These statements are supported by Notes to the Basic Financial Statements. All sections must be considered together to obtain a complete understanding of the financial picture of the Consortium.

The Basic Financial Statements

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the Consortium's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of the Consortium's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the Consortium as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of the Consortium's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of the Consortium's programs. The Statement of Activities explains in detail the Change in Net Position for the year.

All of the Consortium's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report the Consortium's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of the Consortium's Major Fund. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts. The Major Fund accounts for the major financial activities of the Consortium.

The Government-wide Financial Statements

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the Consortium as a whole.

The Statement of Net Position and the Statement of Activities present information about the following:

Governmental Activities

The Consortium's basic services are considered to be governmental activities. Its primary purpose, as a Local Workforce Investment Area (LWIA) established pursuant to the Workforce Investment Act of 1998, is to make education, job training, and employment services universally available and accessible, and to assist with local business expansion, retention, maintenance, and enhancement within the four county North Central Counties Consortium service area. The Workforce Innovation and Opportunity Act (WIOA) was enacted on July 1, 2015, which is a reauthorization of the Workforce Investment Act. All of the Consortium's basic services are included here, such as program services, maintenance, and general administration. Federal and state grants finance these activities. The Consortium does not engage in any business-type activities.

NORTH CENTRAL COUNTIES CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

The Fund Financial Statements

The Fund Financial Statements provide detailed information about each of the Consortium's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by Governmental Accounting Standards Board (GASB) Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. The Major Fund presents the major activities of the Consortium for the year and may change from year to year as a result of changes in the pattern of the Consortium's activities.

In the Consortium's case, there is one Major Governmental Fund.

General Fund

The purpose of the fund is to account for the operation of the Consortium's programs, to provide job counseling, training and placement assistance for unemployed youth and adults in the member areas through funding supported by state and federal resources.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements. Comparisons of Budget and Actual financial information are presented for the General Fund.

**NORTH CENTRAL COUNTIES CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

Analysis of Major Fund

Table 1 - Governmental Net Position at June 30

	<u>Governmental Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 281,508	\$ 83,320	\$ 198,188	237.9%
Intergovernmental receivable, net	813,077	639,432	173,645	27.2%
Capital assets, net	17,808	25,385	(7,577)	-29.8%
Right-to-use asset, net	<u>95,788</u>	<u>125,018</u>	<u>(29,230)</u>	<u>0.0%</u>
Total assets	<u>1,208,181</u>	<u>873,155</u>	<u>335,026</u>	<u>38.4%</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
	<u>526,165</u>	<u>531,140</u>	<u>(4,975)</u>	<u>-0.9%</u>
<u>LIABILITIES</u>				
Accounts payable	927,305	556,003	371,302	66.8%
Compensated absences	42,867	49,079	(6,212)	-12.7%
Lease payable	98,815	127,017	(28,202)	0.0%
Net pension liability	<u>1,290,919</u>	<u>1,224,533</u>	<u>66,386</u>	<u>5.4%</u>
Total liabilities	<u>2,359,906</u>	<u>1,956,632</u>	<u>403,274</u>	<u>20.6%</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
	<u>10,230</u>	<u>16,470</u>	<u>(6,240)</u>	<u>-37.9%</u>
<u>NET POSITION</u>				
Net investments in capital assets	17,808	25,385	(7,577)	-29.8%
Unrestricted	121,386	115,671	5,715	4.9%
Pension related	<u>(774,984)</u>	<u>(709,863)</u>	<u>(65,121)</u>	<u>9.2%</u>
Total net position	<u>\$ (635,790)</u>	<u>\$ (568,807)</u>	<u>\$ (66,983)</u>	<u>11.8%</u>

The Consortium's Governmental Net Position amounted to \$(635,790) as of June 30, 2023, a decrease of \$66,983 from June 30, 2022. This decrease is the Change in Net Position reflected in the Governmental Activities column of the Statement of Revenues, Expenditures, and Changes in Net Position shown in Table 2.

Governmental Funds

Program revenues were composed of Federal and State program funds and any funds generated by the program. Program revenue increased \$4,974 this fiscal year due to an increase in Federal and State funding. Actual revenues were more than budgeted amounts by \$10,818.

The Consortium's expenses are entirely related to providing job-related services to its area. Program expenses were \$7,510,771, an increase of \$58,853 from the prior year. Expenditures were \$10,287 more than budgeted, primarily due to under-budget of salaries and employee benefits expenditures.

**NORTH CENTRAL COUNTIES CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

The Statement of Activities presents program revenues and expenses in detail. All of these are elements in the Change in Governmental Net Position summarized below.

Table 2 - Change in Governmental Net Position at June 30

	<u>Governmental Activities</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>2023</u>	<u>2022</u>		
<u>PROGRAM EXPENSES</u>				
Administration services	\$ 957,497	\$ 907,229	\$ 50,268	5.5%
Program services	<u>6,553,274</u>	<u>6,544,689</u>	<u>8,585</u>	<u>0.1%</u>
Total program expenses	<u>7,510,771</u>	<u>7,451,918</u>	<u>58,853</u>	<u>0.8%</u>
<u>PROGRAM REVENUES</u>				
Operating grants and contributions	<u>7,443,788</u>	<u>7,438,814</u>	<u>4,974</u>	<u>0.1%</u>
Total program revenues	<u>7,443,788</u>	<u>7,438,814</u>	<u>4,974</u>	<u>0.1%</u>
Change in net position	(66,983)	(13,104)	(53,879)	411.2%
Net position, beginning of period	<u>(568,807)</u>	<u>(555,703)</u>	<u>(13,104)</u>	<u>2.4%</u>
Net position, end of period	<u>\$ (635,790)</u>	<u>\$ (568,807)</u>	<u>\$ (66,983)</u>	<u>11.8%</u>

As this table illustrates, \$7,443,788 or approximately 100% of the Consortium's governmental revenue came from grant funds. The Consortium receives revenue from federal, state, and local grants and contracts on a cost reimbursement basis; therefore, expenses are usually equal to revenue.

General Fund Budgetary Highlights

Over the course of the year, the Consortium revises its annual budget to reflect unexpected changes in revenues and expenditures. A schedule of the Consortium's original and final budget amounts compared with actual revenues and expenses is provided in the basic financial statements.

Capital Assets and Long-Term Debt

As of June 30, 2023, the Consortium had invested in a broad range of capital assets, including buildings and improvements, equipment and vehicles. More detailed information about the Consortium's capital assets is presented in the notes to the financial statements.

Assets acquired through grant resources are considered to be owned by the grantor while such assets are in use under the funded program, or while they are being used for a similar program.

The Consortium does not use any long-term debt to fund operations or growth.

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various communities served by the Consortium.

NORTH CENTRAL COUNTIES CONSORTIUM
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

The economic condition of the Consortium as it appears on the balance sheet reflects financial stability and the potential for organizational growth. The Consortium will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

The focus for the new year is funding training in regional high demand and sector occupations. The Consortium also hopes to perform more Business Services in these occupations. With the act (WIOA) more regional collaboration is encouraged and maybe some funding will follow those partnerships.

Contacting the Consortium's Financial Management

This Single Audit Report is intended to provide a general overview of the Consortium's finances. Questions about this report should be directed to North Central Counties Consortium, 1110 Civic Center Blvd., Ste. 402A, Yuba City, CA 95993.

NORTH CENTRAL COUNTIES CONSORTIUM
STATEMENT OF NET POSITION
 June 30, 2023

	Governmental Activities
<u>ASSETS</u>	
Cash and cash equivalents	\$ 281,508
Intergovernmental receivable, net	813,077
Non-current assets:	
Capital assets, net of accumulated depreciation	17,808
Right-to-use asset, net of accumulated amortization	95,788
Total assets	1,208,181
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources	526,165
Total deferred outflows of resources	526,165
 <u>LIABILITIES</u>	
Accounts payable	927,305
Non-current liabilities:	
Compensated absences:	
Due within one year	38,361
Due in more than one year	4,506
Lease payable:	
Due within one year	30,479
Due in more than one year	68,336
Net pension liability	1,290,919
Total liabilities	2,359,906
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources	10,230
Total deferred inflows of resources	10,230
 <u>NET POSITION</u>	
Net investments in capital assets	17,808
Unrestricted	(653,598)
Total net position	\$ (635,790)

The accompanying notes are an integral part of these financial statements.

NORTH CENTRAL COUNTIES CONSORTIUM
STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2023

	Governmental Activities
Program expenses:	
Administration services	\$ 957,497
Program services	6,553,274
Total program expenses	7,510,771
Program revenues:	
Operating grants and contributions	7,443,788
Total program revenues	7,443,788
Net program revenues (expenses)	(66,983)
Change in net position	(66,983)
Net position, beginning of period	(568,807)
Net position, end of period	\$ (635,790)

The accompanying notes are an integral part of these financial statements.

NORTH CENTRAL COUNTIES CONSORTIUM
GOVERNMENTAL FUNDS BALANCE SHEET

June 30, 2023

	General Fund
<u>ASSETS</u>	
Cash and cash equivalents	\$ 281,508
Intergovernmental receivable, net	813,077
Total assets	\$ 1,094,585
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 927,305
Total liabilities	927,305
Fund balances:	
Unassigned	167,280
Total fund balances	167,280
Total liabilities fund balances	\$ 1,094,585
 Reconciliation of the Governmental Funds Balance Sheet with the Governmental Activities Statement of Net Position:	
Total Governmental Funds Fund Balances	\$ 167,280
Amounts reported in the Statement of Net Position are different because:	
Capital and right-to-use assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	
Capital assets, net of \$163,249 accumulated depreciation	17,808
Right-to-use asset, net of \$57,834 accumulated amortization	95,788
Long-term assets are not available to pay for current period expenditures, and long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund:	
Deferred outflows of resources	526,165
Compensated absences	(42,867)
Lease payable	(98,815)
Net pension liability	(1,290,919)
Deferred inflows of resources	(10,230)
Net Position of Governmental Activities	\$ (635,790)

The accompanying notes are an integral part of these financial statements.

NORTH CENTRAL COUNTIES CONSORTIUM
GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

	General Fund
Revenues:	
Grant funds	\$ 7,443,788
Total revenues	7,443,788
Expenditures:	
Classified salaries	444,429
Employee benefits	274,738
Program operations	6,553,274
Service and support	130,295
Training, conferences, meetings and travel	40,521
Total expenditures	7,443,257
Excess of revenues over (under) expenditures	531
Fund balance, beginning of period	166,749
Fund balance, end of period	\$ 167,280

Reconciliation of the Net Change in Fund Balances with the Change in Net Position of Governmental Activities:

Net Change in Fund Balances	\$ 531
Amounts reported in the Statement of Activities are different because:	
Change in long-term portion of assets and liabilities do not provide or require the use of current financial resources and therefore are not reported in the governmental fund:	
Change in capital assets	(7,577)
Change in right-to-use asset	(29,230)
Change in deferred outflows of resources	(4,975)
Change in compensated absences	6,212
Change in lease payable	28,202
Change in net pension liability	(66,386)
Change in deferred inflows of resources	6,240
Change in Net Position of Governmental Activities	\$ (66,983)

The accompanying notes are an integral part of these financial statements.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 1 - GENERAL

A. Organization

North Central Counties Consortium (the Consortium) was formed in 1983 and operates by a joint powers agreement among the following counties: Colusa County, Glenn County, Sutter County and Yuba County. The purpose of the Consortium is to provide job counseling, training and placement assistance for unemployed youth and adults in the member areas. The Consortium is an entity separate and distinct from each of its participant members.

B. Reporting Entity

The Consortium's basic financial statements include the accounts of all its operations. If an organization is part of a primary government, its financial data should be included with the financial data of the primary government. Accordingly, the Consortium evaluated whether any other entity should be included in these financial statements as a component unit within the Consortium's reporting entity. Consideration was given as to whether or not other entities meet all of the following criteria:

- It has a separately elected governing body;
- It is legally separate; and
- It is fiscally independent of other state and local governments.

Based on these criteria, the Consortium has no component units. Additionally, the Consortium is not a component unit of any other reporting entity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Consortium's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

B. Government-wide and Fund Financial Statements

The Government-wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Consortium with the effect of interfund activity removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support. The Consortium has no component units, fiduciary or business-type activities.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and Fund Financial Statements (concluded)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the Consortium's governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Accrual

The Government-wide Financial Statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Modified Accrual

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when "measurable and available." The Consortium considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are grants and donations.

Non-exchange transactions, in which the Consortium gives or receives value without directly, receiving or giving equal value in exchange, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

The Consortium may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The Consortium's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Financial Statements

Fund Financial Statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (or expenses) as appropriate. The Consortium's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled.

In the Fund Financial Statements, governmental funds report fund equity as follows:

Unassigned Fund Equity

The residual classification for the government's general fund includes all amounts not contained in the other classifications.

Assigned Fund Equity

Amounts intended to be used by the government for specific purposes but that do not meet the criteria to be classified as restricted or committed.

E. Major Funds

GASB Statement No. 34 defines major funds and requires that the Consortium's major governmental funds be identified and presented separately in the fund financial statements. Major funds are defined as funds that have either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total and five percent of the total. The General Fund is always a major fund. The Consortium may also select other funds it believes should be presented as major funds. The Consortium reported the following major governmental funds in the accompanying financial statements:

General Fund

The purpose of the fund is to account for the operation of the Consortium's programs, and to provide job counseling, training, and placement assistance for unemployed youth and adults in the member areas through funding supported by state and federal resources.

F. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund.

By state law, the Consortium's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. These budgets are revised by the Consortium's Governing Board and Consortium administration during the year to give consideration to unanticipated income and expenditures. The original and final revised budgets are presented for the General Fund in the basic financial statements. There was no amendment to the original budget presented in the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund during the year ended June 30, 2023.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Budgets and Budgetary Accounting (concluded)

General Fund expenditures exceeded appropriations by \$10,287, which was mainly due to under budget of salaries and employee benefits expenditures.

G. Cash and Cash Equivalents

The Consortium applies the provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment to GASB Statement No. 3*, which requires governmental entities to provide proper disclosures on common deposit and investment risk related to credit risk, interest rate risk and foreign currency risk. In accordance with GASB Statement No. 40, the Consortium has made such disclosures.

H. Capital Assets

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized but are expensed as incurred. Depreciation on all capital assets is computed using a straight-line basis over its estimated useful lives (25 years for modular buildings and 10 years for equipment).

Assets acquired through grant resources are considered to be owned by the grantor while such assets are in use under the funded program, or while they are being used for a similar program. Any disposition of restricted assets or any funds derived therefrom are subject to grant regulations.

I. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the Consortium recognized deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period and will not be recognized as an outflow of resources (expense/expenditure) until then. The Consortium has deferred pension contributions which are reported as deferred outflows of resources.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period and will not be recognized as an inflow of resources (revenue) until then. The Consortium has deferred pension actuarial, which is reported as deferred inflows of resources.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Leases

For leases in which the Consortium is a lessee, the Consortium recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. At the commencement of a lease, the Consortium initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life, as defined in the Capital Assets section above. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The Consortium uses the interest rate charged by the lessor as the discount rate, or if not provided, an estimated incremental borrowing rate is used as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the Consortium is reasonably certain to exercise.

K. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets.

Restricted Net Position

This component of net position consists of limitations placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component of net position consists of net position that does not meet the definition of *net investment in capital assets* or *restricted*.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Consortium's portion of the California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from CalPERS fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Cost Allocation Plan

Costs which are not specifically identified as benefiting one specific grant program are distributed to programs in accordance with the Consortium's cost allocation plan. The Consortium uses WIOA legislation and regulations as well as OMB Circulars and State Directives in reviewing and updating its cost allocation plan.

N. Contingencies

The Consortium participates in federal grants, the principal of which is the U.S. Department of Labor. Disbursement of funds received under these grants requires compliance with terms and conditions specified in the grant agreement and is subject to audit by the grantor agency. Any disallowed costs resulting from such an audit could become a liability of the General Fund or other applicable funds.

O. Concentrations

The Consortium receives a substantial amount of revenue for its programs funded by the State of California Employment Development Department. During the year ended June 30, 2023, the Consortium received \$6,363,855, which amounts to 85% of total revenue for the year.

P. Use of Estimates

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

Q. Risk Management

The Consortium is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Consortium carries insurance.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Q. Risk Management (concluded)

Joint Powers Agreement

The Consortium has insurance coverage under Golden State Risk Management Authority (A Joint Powers Authority, JPA), which is a risk-sharing insurance pool. Golden State Risk Management Authority coverage includes workers' compensation, general liability, and miscellaneous insurance. The relationship between the Consortium and the Golden State Risk Management Authority is such that the JPA is not a component unit of the Consortium for financial reporting purposes. As a member, the Consortium pays premiums commensurate with the level of coverage requested.

R. Subsequent Events

In preparing these basic financial statements, the Consortium has evaluated events and transactions for potential recognition or disclosure through March 12, 2024, the date the basic financial statements were available to be issued.

S. Accounting Pronouncements

The following GASB Statements will be implemented in future financial statements. The Consortium has not fully judged the impact of implementation of these GASB Statements on the financial statements:

- GASB Statement No. 100 – *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*. The provisions of GASB Statement No. 100 are effective for financial statements beginning after June 15, 2023.
- GASB Statement No. 101 – *Compensated Absences*. The provisions of GASB Statement No. 101 are effective for financial statements beginning after December 15, 2023.

NOTE 3 - CASH AND CASH EQUIVALENTS

The cash balances as of June 30, 2023 are as follows:

U.S. Bank	\$ <u>281,508</u>
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Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the Consortium's deposits may not be returned. The Consortium does not have a formal policy for custodial credit risk for deposits.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 3 - CASH AND CASH EQUIVALENTS (concluded)

Cash balances in banks and revolving funds are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). In addition, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

NOTE 4 - INTERGOVERNMENTAL RECEIVABLE

Intergovernmental receivable as of June 30, 2023 represents amounts due from the following:

California Employment Development Department	\$	665,763
Sacramento Employment and Training Agency		119,349
Other		<u>27,965</u>
Total	\$	<u><u>813,077</u></u>

The Consortium has not accrued a loss for allowances for uncollected receivables since it is the opinion of management that it is highly probable that all receivables will be collected. The Consortium will accrue an allowance for doubtful accounts when management considers that the receivables cannot be fully collected.

NOTE 5 - CAPITAL ASSETS

Capital assets as of June 30, 2023 are as follows:

	Balance <u>6/30/22</u>	Additions	Retirements	Balance <u>6/30/23</u>
Modular building	\$ 175,471	\$ -	\$ -	\$ 175,471
Equipment	<u>5,586</u>	-	-	<u>5,586</u>
Total	<u>181,057</u>	-	-	<u>181,057</u>
Less accumulated depreciation	<u>(155,672)</u>	<u>(7,577)</u>	-	<u>(163,249)</u>
Capital assets, net	<u>\$ 25,385</u>	<u>\$ (7,577)</u>	\$ -	<u>\$ 17,808</u>

Depreciation expense was \$7,577 for the year ended June 30, 2023.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 6 - COMPENSATED ABSENCES

All vacation pay plus related payroll taxes are accrued when incurred in the financial statements. The liability for these amounts is accrued through June 30, 2023, and reported in the governmental funds (grants), only if they have matured, for example, as a result of employee resignations and retirements.

Accumulated sick leave benefits are not recognized as liabilities of the Consortium. The Consortium's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest, nor is payment probable. However, unused sick leave is added to the creditable service period for the calculation of retirement benefits when the employee retires.

The changes in the compensated absences balance for the fiscal year ended June 30, 2023 were as follows:

Balance, beginning of period	\$	49,079
Additions		36,083
Retirements		<u>(42,295)</u>
Balance, end of period	\$	<u>42,867</u>
Due within one year	\$	38,361
Due in more than one year		<u>4,506</u>
Total	\$	<u>42,867</u>

NOTE 7 - LEASE RIGHT-OF-USE ASSET AND LIABILITY

The financial statements for the fiscal year ended June 30, 2023, include the adoption of GASB Statement No. 87, *Leases*. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset.

In June 2021, the Consortium entered into an operating lease for office space located at 1110 Civic Center Blvd., Suite 402A, Yuba City pursuant to a lease agreement that expires on June 30, 2026. The rent expense is currently \$2,767 per month. Rental expense for the year ended June 30, 2023, was \$43,171.

The Consortium is utilizing an incremental borrowing rate of 4.38%.

All leases were classified as governmental activities. An initial lease liability was recorded in the amount of \$153,622 as of July 1, 2021. As of June 30, 2023, the value of the lease liability was \$98,815. The difference of \$54,807 represents the reduction of the principal portion of lease payments made in the current and previous years.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 7 - LEASE RIGHT-OF-USE ASSET AND LIABILITY (concluded)

Amounts recognized as right-of-use assets related to operating leases are included in the accompanying Statement of Net Position, while related lease liabilities are included in the lease liabilities. As of June 30, 2023, right-of-use assets and lease liabilities related to operating leases were as follows:

Right-of-use asset	\$	153,622
Less accumulated amortization		<u>(57,834)</u>
Right-of-use asset, net		<u>\$ 95,788</u>
Lease payable:		
Due within one year	\$	30,479
Due in more than one year		<u>68,336</u>
Total		<u>\$ 98,815</u>

Future minimum lease payments under these agreements are as follows:

Year Ending June 30, 2024	\$	34,200
Year Ending June 30, 2025		35,232
Year Ending June 30, 2026		<u>36,288</u>
Total		105,720
Less effects of discounting		<u>(6,905)</u>
Lease liabilities recognized		<u>\$ 98,815</u>

NOTE 8 - RETIREMENT PLAN

Plan Description

Qualified employees are covered under a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). The Consortium contributes to the Miscellaneous Pool for all classified employees.

CalPERS acts as a common investment and administrative agent for participating public entities within the state of California. Benefits provisions and all other requirements are established by state statutes and Local Government resolutions. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended June 30, 2023

NOTE 8 - RETIREMENT PLAN (continued)

Benefits Provided

The plan provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA miscellaneous members become eligible for Service Retirement upon attainment of age 52 with at least 5 years of service. All members are eligible for non-duty disability benefits after 10 years of service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. Upon the death of a retiree, a one-time lump sum payment will be made to the retiree's designated survivor(s), or to the retiree's estate.

Plan's Major Benefit Options - Optional Benefits

Benefit Provision

Benefit Formula	2% @ 55
Social Security Coverage	No
Full/Modified	Full
Employee Contribution Rate	7.00%
Final Average Compensation Period	Three Year
Sick Leave Credit	Yes
Non-Industrial Disability	Standard
Industrial Disability	No
Pre-Retirement Death Benefits	
Optional Settlement 2	Yes
1959 Survivor Benefit Level	No
Special	No
Alternate (firefighters)	No
Post-Retirement Death Benefits	
Lump Sum	\$2000
Survivor Allowance (PRSA)	No
COLA	2%

Contributions

All of the Consortium's employees are participating plan members. PEPRA plan members are required to contribute 6.75% of their salary (7% of monthly salary over \$133.33 if the member participates in Social Security), and the Consortium is required to contribute an actuarially determined rate. Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1st following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Consortium is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

NOTE 8 - RETIREMENT PLAN (continued)

Contributions paid by the Consortium on behalf of plan members to CalPERS totaled \$173,268 for the fiscal year ended June 30, 2023.

Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

The Consortium's net pension liability for the Plan is measured as the proportionate share of the net pension liability. As of June 30, 2023, the Consortium reported a net pension liability for its proportionate share of the net pension liability for the plan of \$1,290,919.

The net pension liability of the plan is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The Consortium's proportion of the net pension liability was based on a projection of the Consortium's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The Consortium's proportionate share of the net pension liability for the Plan as of June 30, 2023, was 0.02582%.

For the year ended June 30, 2023, the Consortium recognized a pension adjustment credit of \$(65,121). At June 30, 2023, the Consortium reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 77,939	\$ -
Differences between proportionate expected and actual experience	65,947	10,230
Net difference between proportionate projected and actual earnings on pension plan investments	209,011	-
Pension contributions subsequent to measurement date	173,268	-
Total	<u>\$ 526,165</u>	<u>\$ 10,230</u>

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended June 30, 2023

NOTE 8 - RETIREMENT PLAN (continued)

The Consortium reported \$173,268 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2024	\$ 107,286
2025	71,565
2026	157,819
2027	5,997

The total pension liabilities in the June 30, 2022 actuarial valuation were determined using the information below.

Actuarial Methods and Assumptions

The collective total pension liability for the June 30, 2023 measurement period was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023. The collective total pension liability was based on the following assumptions:

Investment Rate of Return	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post-Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

Long-Term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended June 30, 2023

NOTE 8 - RETIREMENT PLAN (concluded)

The expected real rates of return by asset class are as followed:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10*</u>
Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00)%	(0.59)%

*An expected inflation of 2.30% used for this period. Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents the Consortium's proportionate share of the net pension liability of CalPERS, calculated using the discount rate of 6.90%, as well as what the Consortium's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease <u>(5.90%)</u>	Current Discount Rate <u>(6.90%)</u>	1% Increase <u>(7.90%)</u>
Net Pension Liability	\$ 2,083,264	\$ 1,290,919	\$ 638,751

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
 For the Year Ended June 30, 2023

	General Fund		
	Original & Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
Revenues:			
Grant funds	\$ 7,432,970	\$ 7,443,788	\$ 10,818
Total revenues	7,432,970	7,443,788	10,818
Expenditures:			
Classified salaries	441,629	444,429	(2,800)
Employee benefits	239,567	274,738	(35,171)
Program operations	6,553,274	6,553,274	-
Service and support	140,000	130,295	9,705
Training, conferences, meetings and travel	58,500	40,521	17,979
Total expenditures	7,432,970	7,443,257	(10,287)
Excess of revenues over (under) expenditures	\$ -	531	\$ 531
Fund balance, beginning of period		166,749	
Fund balance, end of period		\$ 167,280	

NORTH CENTRAL COUNTIES CONSORTIUM
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2023

Schedule 2

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Consortium's proportion of the collective net pension liability	0.02582%	0.02617%	0.02675%	0.02706%	0.02709%	0.02670%	0.02758%	0.02603%	0.01350%
Consortium's proportionate share of the collective net pension liability	\$ 1,290,919	\$ 1,224,533	\$ 507,984	\$ 1,083,764	\$ 1,021,004	\$ 1,052,701	\$ 958,220	\$ 904,098	\$ 838,009
Consortium's covered-employee payroll*	\$ 444,429	\$ 380,708	\$ 347,245	\$ 315,392	\$ 282,223	\$ 294,455	\$ 364,945	\$ 354,688	\$ 355,260
Consortium's proportionate share of the collective net pension liability as a percentage of covered payroll	290.47%	321.65%	146.29%	343.62%	361.77%	357.51%	262.57%	254.90%	235.89%
Plan fiduciary net position as a percentage of the total pension liability	77.97%	78.19%	90.49%	77.73%	77.69%	75.39%	75.87%	75.52%	81.00%

The schedules present information to illustrate changes in the Consortium's proportionate share of the net pension liability over a ten year period when the information is available.

*In accordance with Statement No. 82 of the GASB, Covered Employee Payroll is the payroll on which contributions are based. Thus, these amounts may be different than shown in fiscal year ended 2016 and earlier reports.

NORTH CENTRAL COUNTIES CONSORTIUM
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF THE CONSORTIUM'S CONTRIBUTIONS - PENSION PLAN
For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 173,268	\$ 156,768	\$ 183,234	\$ 166,597	\$ 147,415	\$ 128,107	\$ 123,207	\$ 113,171	\$ 103,131	\$ 87,869
Contributions in relation to the contractually required contribution	<u>173,268</u>	<u>156,768</u>	<u>183,234</u>	<u>166,597</u>	<u>147,415</u>	<u>128,107</u>	<u>123,207</u>	<u>113,171</u>	<u>103,131</u>	<u>87,869</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll*	\$ 444,429	\$ 410,661	\$ 380,708	\$ 347,245	\$ 315,392	\$ 282,223	\$ 294,455	\$ 364,945	\$ 354,688	\$ 355,260
Contributions as a percentage of covered payroll	38.99%	38.17%	48.13%	47.98%	46.74%	45.39%	41.84%	31.01%	29.08%	24.73%

The schedules present information to illustrate changes in the Consortium's contributions over a ten year period when the information is available.

*In accordance with Statement No. 82 of the GASB, Covered Employee Payroll is the payroll on which contributions are based. Thus, these amounts may be different than shown in fiscal year ended 2016 and earlier reports.

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL PROGRAM SERVICES
 For the Year Ended June 30, 2023

Schedule 4

	AA011019		AA111019			AA211019					
	1196	1208	1209	202	293	301-302	502	541	1245	1252	
	COVID-19	2020 August	2020 August	Adult	Rapid	Youth	Dislocated	Rapid	Equity and	Workforce	
	Disaster	Wildfires DR	Wildfires DR	Formula	Response	Formula	Worker	Response	Special	Accelerator	
	Recovery	Temporary	Workforce		Layoff			Populations	Fund 10.0		
	NDWG	Jobs	Development		Aversion			PY 21-22	PY 21-22		Total
Revenues:											
Grant funds	\$ 241,345	\$ 18,273	\$ 83,877	\$ 300,786	\$ 8,368	\$ 421,645	\$ 249,683	\$ 38,132	\$ 957,121	\$ 328,639	\$ 2,647,869
Total revenues	241,345	18,273	83,877	300,786	8,368	421,645	249,683	38,132	957,121	328,639	2,647,869
Expenditures:											
Administration services	33,473	517	9,259	34,610	3,294	44,365	29,401	9,314	77,224	30,151	271,608
Program services	207,872	17,756	74,618	266,176	5,074	377,280	220,282	28,818	879,897	298,488	2,376,261
Total expenditures	241,345	18,273	83,877	300,786	8,368	421,645	249,683	38,132	957,121	328,639	2,647,869
Excess of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL PROGRAM SERVICES
 For the Year Ended June 30, 2023

Schedule 5

AA311019											
	201 Adult Formula	202 Adult Formula	292 Rapid Response Layoff Aversion	293 Rapid Response Layoff Aversion	301-302 Youth Formula	501 Dislocated Worker	502 Dislocated Worker	540 Rapid Response Formula	541 Rapid Response Formula	1258 2020 August Wildfires DR Workforce Development	Total
Revenues:											
Grant funds	\$ 248,029	\$ 705,076	\$ 21,017	\$ 77,952	\$ 996,527	\$ 223,095	\$ 508,628	\$ 71,440	\$ 261,968	\$ 403,978	\$ 3,517,710
Total revenues	<u>248,029</u>	<u>705,076</u>	<u>21,017</u>	<u>77,952</u>	<u>996,527</u>	<u>223,095</u>	<u>508,628</u>	<u>71,440</u>	<u>261,968</u>	<u>403,978</u>	<u>3,517,710</u>
Expenditures:											
Administration services	28,540	81,130	8,273	30,686	104,853	26,270	59,892	17,450	63,989	38,578	459,661
Program services	219,489	623,946	12,744	47,266	891,674	196,825	448,736	53,990	197,979	365,400	3,058,049
Total expenditures	<u>248,029</u>	<u>705,076</u>	<u>21,017</u>	<u>77,952</u>	<u>996,527</u>	<u>223,095</u>	<u>508,628</u>	<u>71,440</u>	<u>261,968</u>	<u>403,978</u>	<u>3,517,710</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL PROGRAM SERVICES
 For the Year Ended June 30, 2023

Schedule 6

	AA311019								
	1262	1271			2080				
	2022 QUEST	2023 Severe		2067	HRCC		Total from	Total from	
	Disaster	Winter		Career	North State		Schedule 4	Schedule 5	Total
	Recovery	Storms DR	2054	NDWG	Builds	Other			
	NDWG	NDWG	SB1						
Revenues:									
Grant funds	\$ 164,238	\$ 34,038	\$ 640,286	\$ 401,228	\$ 27,965	\$ 10,454	\$ 2,647,869	\$ 3,517,710	\$ 7,443,788
Total revenues	<u>164,238</u>	<u>34,038</u>	<u>640,286</u>	<u>401,228</u>	<u>27,965</u>	<u>10,454</u>	<u>2,647,869</u>	<u>3,517,710</u>	<u>7,443,788</u>
Expenditures:									
Administration services	17,425	3,344	108,142	13,323	6,723	9,757	271,608	459,661	889,983
Program services	146,813	30,694	532,144	387,905	21,242	166	2,376,261	3,058,049	6,553,274
Total expenditures	<u>164,238</u>	<u>34,038</u>	<u>640,286</u>	<u>401,228</u>	<u>27,965</u>	<u>9,923</u>	<u>2,647,869</u>	<u>3,517,710</u>	<u>7,443,257</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 531</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 531</u>

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF RECONCILIATION OF WIOA EXPENDITURES
 For the Year Ended June 30, 2023

Schedule 7

	AA011019		AA111019			AA211019					
	1196	1208	1209	202	293	301-302	502	541	1245	1252	
	COVID-19	2020 August	2020 August	Adult	Rapid	Youth	Dislocated	Rapid	Equity and	Workforce	
	Disaster	Wildfires DR	Wildfires DR	Formula	Response	Formula	Worker	Response	Special	Accelerator	
	Recovery	Temporary	Workforce		Layoff			Formula	Populations	Fund 10.0	
	NDWG	Jobs	Development		Aversion				PY 21-22	PY 21-22	Total
Expenditures per WIOA final status of cash report for the period ended June 30, 2023	\$ 1,085,722	\$ 325,655	\$ 294,046	\$ 1,032,518	\$ 76,007	\$ 1,291,159	\$ 859,119	\$ 254,243	\$ 1,278,256	\$ 336,538	\$ 6,833,263
Less amounts reported in prior year's audit reports through June 30, 2022	<u>844,377</u>	<u>307,382</u>	<u>210,169</u>	<u>731,732</u>	<u>67,639</u>	<u>869,514</u>	<u>609,436</u>	<u>216,111</u>	<u>321,135</u>	<u>7,899</u>	<u>4,185,394</u>
Net expenditures	<u>241,345</u>	<u>18,273</u>	<u>83,877</u>	<u>300,786</u>	<u>8,368</u>	<u>421,645</u>	<u>249,683</u>	<u>38,132</u>	<u>957,121</u>	<u>328,639</u>	<u>2,647,869</u>
WIOA expenditures per audit report (see pages 30-32)	<u>241,345</u>	<u>18,273</u>	<u>83,877</u>	<u>300,786</u>	<u>8,368</u>	<u>421,645</u>	<u>249,683</u>	<u>38,132</u>	<u>957,121</u>	<u>328,639</u>	<u>2,647,869</u>
Difference in expenditures per WIOA final status of cash report over (under) expenditures in audit report	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF RECONCILIATION OF WIOA EXPENDITURES
 For the Year Ended June 30, 2023

	AA311019				
	201 Adult Formula	292 Rapid Response Layoff Aversion	501 Dislocated Worker	540 Rapid Response Formula	Total
Expenditures per WIOA final status of cash report for the period ended June 30, 2023	\$ 248,029	\$ 21,017	\$ 223,095	\$ 71,440	\$ 563,581
Less amounts reported in prior year's audit reports through June 30, 2022	-	-	-	-	-
Net expenditures	248,029	21,017	223,095	71,440	563,581
WIOA expenditures per audit report (see pages 30-32)	248,029	21,017	223,095	71,440	563,581
Difference in expenditures per WIOA final status of cash report over (under) expenditures in audit report	\$ -	\$ -	\$ -	\$ -	\$ -

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

Federal Award Source/Federal Program Name/Cluster Name	Federal Assistance Listing Number	Award Identification	Federal Award Amount	Federal Amount Expended	Federal Amount Passed Through to Subrecipients
U.S. Department of Labor:					
Workforce Innovation and Opportunity Act Cluster:					
Pass through from the California Employment Development Department:					
WIOA COVID-19 Disaster Recovery NDWG - Workforce Develop	17.278	AA011019-1196	\$ 1,085,722	\$ 241,345	\$ 207,872
WIOA 2020 August Wildfires DR Temporary Jobs	17.278	AA111019-1208	325,655	18,273	17,756
WIOA 2020 August Wildfires DR Workforce Development	17.278	AA111019-1209	294,046	83,877	74,618
WIOA Adult Formula	17.258	AA211019-202	1,032,518	300,786	266,176
WIOA Rapid Response Layoff Aversion	17.278	AA211019-293	76,007	8,368	5,074
		AA211019-301-			
WIOA Youth Formula	17.259	302	1,291,159	421,645	377,280
WIOA Dislocated Worker	17.278	AA211019-502	859,119	249,683	220,282
WIOA Rapid Response Formula	17.278	AA211019-541	254,243	38,132	28,818
WIOA Equity and Special Populations PY 21-22	17.278	AA211019-1245	1,500,000	957,121	879,897
WIOA Workforce Accelerator Fund 10.0 PY 21-22	17.278	AA211019-1252	500,000	328,639	298,488
WIOA Adult Formula	17.258	AA311019-201	248,029	248,029	219,489
WIOA Adult Formula	17.258	AA311019-202	1,108,402	705,076	623,946
WIOA Rapid Response Layoff Aversion	17.278	AA311019-292	21,017	21,017	12,744
WIOA Rapid Response Layoff Aversion	17.278	AA311019-293	83,497	77,952	47,266
		AA311019-301-			
WIOA Youth Formula	17.259	302	1,403,025	996,527	891,674
WIOA Dislocated Worker	17.278	AA311019-501	223,095	223,095	196,825
WIOA Dislocated Worker	17.278	AA311019-502	891,295	508,628	448,736
WIOA Rapid Response Formula	17.278	AA311019-540	71,440	71,440	53,990
WIOA Rapid Response Formula	17.278	AA311019-541	283,817	261,968	197,979
WIOA 2020 August Wildfires DR Workforce Development	17.278	AA311019-1258	440,000	403,978	365,400
WIOA 2022 QUEST Disaster Recovery NDWG	17.278	AA311019-1262	1,265,444	164,238	146,813
WIOA 2023 Severe Winter Storms Disaster Recovery NDWG	17.278	AA311019-1271	465,917	34,038	30,694
Pass through from the Sacramento Employment and Training Agency:					
WIOA Career National Dislocated Worker Grant	17.278	2067	881,998	401,228	387,905
Total Workforce Innovation and Opportunity Act Cluster			<u>14,605,445</u>	<u>6,765,083</u>	<u>5,999,722</u>
Total federal programs			<u>\$ 14,605,445</u>	<u>\$ 6,765,083</u>	<u>\$ 5,999,722</u>

NORTH CENTRAL COUNTIES CONSORTIUM
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the North Central Counties Consortium and is presented on an accrual basis. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within North Central Counties Consortium's financial statements.

NOTE 2 - PASS-THROUGH ENTITIE'S IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, North Central Counties Consortium determined that no identifying number is assigned for the program or North Central Counties Consortium was unable to obtain an identifying number from the pass-through entity.

NOTE 3 - FEDERAL ASSISTANCE LISTING NUMBERS

The Federal assistance listing number included in the accompanying Schedule of Expenditures of Federal Awards was determined based on the program name, review of the awarded contract, and the Office of Management and Budget's Federal assistance listing numbers.

NOTE 4 - INDIRECT COSTS

North Central Counties Consortium elected not to use the 10% de minimis cost rate as covered in the Uniform Guidance Part 200.414 Indirect (F&A) Costs.

Hiep Pham, CPA Inc.

41041 Trimboli Way #1926, Fremont, CA 94538 | Phone: (510) 789-7736 | www.hiepphamcpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Governing Board
North Central Counties Consortium
Yuba City, California

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of North Central Counties Consortium, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise North Central Counties Consortium's basic financial statements, and have issued my report thereon dated March 12, 2024.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered North Central Counties Consortium's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Central Counties Consortium's internal control. Accordingly, I do not express an opinion on the effectiveness of North Central Counties Consortium's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Central Counties Consortium's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hiep Pham, CPA Inc.

Fremont, California
March 12, 2024

Hiep Pham, CPA Inc.

41041 Trimboli Way #1926, Fremont, CA 94538 | Phone: (510) 789-7736 | www.hiepphamcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Governing Board
North Central Counties Consortium
Yuba City, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited North Central Counties Consortium's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of North Central Counties Consortium's major federal programs for the year ended June 30, 2023. North Central Counties Consortium's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, North Central Counties Consortium complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of North Central Counties Consortium and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of North Central Counties Consortium's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to North Central Counties Consortium's federal programs.

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on North Central Counties Consortium's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about North Central Counties Consortium's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding North Central Counties Consortium's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of North Central Counties Consortium's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of North Central Counties Consortium's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hiep Pham, CPA Inc.

Fremont, California

March 12, 2024

NORTH CENTRAL COUNTIES CONSORTIUM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial statements

- 1. Type of auditor's report issued:..... Unmodified
- 2. Internal control over financial reporting:
 - A. Material weaknesses identified?..... No
 - B. Significant deficiency(ies) identified that are not considered to be material weaknesses?..... None reported
 - C. Noncompliance which is material to the financial statements noted?.... No

Federal awards

- 3. Internal control over major programs:
 - A. Material weaknesses identified?..... No
 - B. Significant deficiency(ies) identified that are not considered to be material weaknesses?..... None reported
 - C. Type of auditor's report issued on compliance for major programs:..... Unmodified
 - D. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?..... No

Major programs

Federal Assistance		Amount
<u>Listing Number</u>	<u>Federal Program Name or Cluster Name</u>	<u>Expended</u>
17.258, 17.259 & 17.278	Workforce Innovation and Opportunity Act Cluster	\$ 6,765,083

- 4. Dollar threshold to distinguish between Type A and Type B programs:..... \$ 750,000
- 5. Auditee qualifies as a low-risk auditee?..... Yes

Section II - Financial Statement Findings..... None noted

Section III - Federal Award Findings and Questioned Costs..... None noted

NORTH CENTRAL COUNTIES CONSORTIUM
STATUS OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2023

There were no prior year audit findings.

ATTACHMENT E: INFORMATION

PROGRAM PERFORMANCE

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

ADULT	Number of Enrollments			Number in Training			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
NCCC	502	642	128%	171	420	246%	155	252	163%	73%	252/273	92%	\$ 16.00	\$ 27.24
Colusa County One Stop	63	67	106%	19	48	253%	22	23	105%	73%	23/24	96%	\$ 16.00	\$ 21.38
Glenn County AJCC	59	40	68%	19	30	158%	22	15	68%	73%	15/15	100%	\$ 16.00	\$ 20.03
Sutter County One Stop	225	331	147%	79	200	253%	66	150	227%	73%	150/158	95%	\$ 16.00	\$ 26.73
Yuba County One Stop	155	204	132%	54	142	263%	45	64	142%	73%	64/76	84%	\$ 16.00	\$ 32.24

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

DISLOCATED WORKER	Number of Enrollments			Number in Training			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
NCCC	320	232	73%	113	104	92%	104	92	88%	72.0%	92/106	87%	\$ 16.00	\$22.45
Colusa County One Stop	41	50	122%	12	23	192%	14	14	100%	72.0%	14/19	74%	\$ 16.00	\$ 19.86
Glenn County AJCC	37	30	81%	16	16	100%	20	11	55%	72.0%	11/12	92%	\$ 16.00	\$ 21.00
Sutter County One Stop	149	85	57%	52	29	56%	43	39	91%	72.0%	39/41	95%	\$ 16.00	\$ 21.33
Yuba County One Stop	93	67	72%	33	36	109%	27	28	104%	72.0%	28/34	82%	\$ 16.00	\$ 25.87

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

YOUTH	Number of Enrollments			Number of Credentials/Diplomas			Entered Employment or Education			Entered Employment/Education Rate		
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%
NCCC	400	368	92%	88	97	110%	129	148	115%	79.0%	148/164	90%
Colusa County One Stop	49	55	112%	12	10	83%	15	12	80%	79.0%	12/13	92%
Glenn County AJCC	47	33	70%	9	11	122%	14	12	86%	79.0%	12/13	92%
Sutter County One Stop	174	165	95%	36	54	150%	52	81	156%	79.0%	81/87	93%
Yuba County One Stop	130	115	88%	31	22	71%	48	43	90%	79.0%	43/51	84%
CSU, Upward Bound	48	66	138%	18	15	83%	18	13	72%	79.0%	13/16	81%

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

NDWG 2023 Severe Winter Storm 1271 5/1/2023 - 8/31/2025	Number in Employment Recovery			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
NCCC	16	24	150%	8	3	38%	50.0%	3/6	50%	\$ 16.00	\$ 25.81
Colusa County One Stop	16	24	150%	8	3	38%	50.0%	3/6	50%	\$ 16.00	\$ 25.81

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

NDWG QUEST	Number Enrolled			Number in Training			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
1262 1/1/23 - 8/31/2024														
NCCC	142	375	264%	106	188	177%	102	116	114%	72.0%	116/148	78%	\$ 16.00	\$ 20.78
Colusa County One Stop	27	11	41%	20	9	45%	19	3	16%	72.0%	3/3	100%	\$ 16.00	\$ 18.77
Glenn County AJCC	16	24	150%	12	16	133%	12	8	67%	72.0%	8/9	89%	\$ 16.00	\$ 20.84
Sutter County One Stop	31	122	394%	23	56	243%	22	34	155%	72.0%	34/45	76%	\$ 16.00	\$ 19.65
Yuba County One Stop	68	218	321%	51	107	210%	49	71	145%	72.0%	71/91	78%	\$ 16.00	\$ 21.40

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

Pre-Apprenticeship Construction	Number of Enrollments			Number of Credentials/Diplomas			Entered Employment /Registered Apprenticeship/Post Secondary Ed			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
2080 05/01/2023 - 3/31/2026											
NCCC	130	71	55%	97	39	40%	90	24/32	75%	\$ 16.00	\$ 23.68
SMART (Shasta)	39	24	62%	29	8	28%	27	6/8	75%	\$ 16.00	\$ 32.50
Sutter County One Stop	39	22	56%	29	13	45%	27	11/13	85%	\$ 16.00	\$ 17.85
Tehama Job Training	13	8	62%	10	1	10%	9	1/1	100%	\$ 16.00	\$ 18.00
Yuba County One Stop	39	17	44%	29	17	59%	27	6/10	60%	\$ 16.00	\$ 17.50

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

NDWG CAREER	Number of Enrollments			Number in Training			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
2067 1/1/2022-8/31/2024														
NCCC	88	162	184%	67	122	182%	66	80	121%	75.0%	80/98	82%	\$ 16.00	\$ 28.03
Colusa County One Stop	10	35	350%	7	31	443%	8	13	163%	75.0%	13/17	76%	\$ 16.00	\$ 25.07
Glenn County AJCC	3	5	167%	3	2	67%	2	2	100%	75.0%	2/3	67%	\$ 16.00	\$ 18.68
Sutter County One Stop	36	43	119%	27	34	126%	27	17	63%	75.0%	17/18	94%	\$ 16.00	\$ 21.34
Yuba County One Stop	39	79	203%	30	55	183%	29	48	166%	75.0%	48/60	80%	\$ 16.00	\$ 31.59

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

WAF Homeless to Hopeful 2.0 1252 6/1/2022-3/31/2024	Number of Enrollments			Number Entering Work Readiness			Number in Training			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
NCCC	75	132	176%	35	61	174%	56	47	84%	51	62	122%	68.0%	61/94	65%	\$ 16.00	\$ 21.50
Colusa County One Stop	7	6	86%	3	3	100%	5	4	80%	4	1	25%	68.0%	1/4	25%	\$ 16.00	\$ 21.00
Glenn County AJCC	10	10	100%	4	4	100%	7	4	57%	7	5	71%	68.0%	5/8	63%	\$ 16.00	\$ 20.61
Sutter County One Stop	29	65	224%	14	40	286%	22	18	82%	20	35	175%	68.0%	35/56	65%	\$ 16.00	\$ 21.40
Yuba County One Stop	29	51	176%	14	14	100%	22	21	95%	20	21	105%	68.0%	21/30	70%	\$ 16.00	\$ 21.89

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

Prison to Employment 2101 8/01/2023-8/31/2025	Number of Enrollments			Number of Credentials/Diplomas			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
NCCC	18	53	294%	8	1	13%	13	12	92%	72.0%	12/14	86%	\$ 16.00	\$ 19.63
Colusa County One Stop	4	4	100%	1	0	0%	2	0	0%	72.0%	0	0%	\$ 16.00	\$ -
Glenn County AJCC	2	1	50%	1	0	0%	1	0	0%	72.0%	0	0%	\$ 16.00	\$ -
Sutter County One Stop	6	34	567%	3	0	0%	5	8	160%	72.0%	8/10	80%	\$ 16.00	\$ 18.63
Yuba County One Stop	6	14	233%	3	1	33%	5	4	80%	72.0%	4/4	100%	\$ 16.00	\$ 21.63

NORTH CENTRAL COUNTIES CONSORTIUM

Planned vs Actual Performance

Program Year 2023 - 2024 3rd Quarter (July 1, 2023 - March 31, 2024)

Regional Equity & Recovery Partnerships 2102 7/1/2023-10/31/2025	Number of Enrollments			Number of Credentials/Diplomas			Entered Employment			Entered Employment Rate			Wage	
	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual	%	Planned	Actual
NCCC	31	8	26%	15	0	0%	13	0	0%	72.0%	12/14	86%	\$ 16.00	\$
Colusa County One Stop	9	3	33%	4	0	0%	2	0	0%	72.0%	0	0%	\$ 16.00	\$ -
Glenn County AJCC	4	1	25%	2	0	0%	1	0	0%	72.0%	0	0%	\$ 16.00	\$ -
Sutter County One Stop	9	4	44%	4	0	0%	5	0	0%	72.0%	0	80%	\$ 16.00	\$
Yuba County One Stop	9	0	0%	5	0	0%	5	0	0%	72.0%	0	100%	\$ 16.00	\$

ATTACHMENT F: INFORMATION

NCCC WIOA Performance PY 22/23

NCCC WIOA Performance PY 2022-2023

Adult Program Performance

PERFORMANCE GOALS	Employment, Education, or Training Placement Rate - Q2 (Cohort Period: 7/1/21-6/30/2022)			Employment, Education, or Training Placement Rate - Q4 (Cohort Period: 1/1/21-12/31/21)			Median Earnings (Cohort Period: 7/1/21-6/30/22)		Credential Rate (Cohort Period: 1/1/21-12/31/21)		Measurable Skill Gains (Cohort Period: 7/1/22-6/30/23)			
	Percent			Percent					Percent		Percent			
	75.0%			72.0%			\$	8,900.00	77.0%			76.0%		
NCCC	83.3%	379 / 455		81.8%	351 / 429		\$	10,678.38		87.0%	214 / 246		85.4%	340 / 398
Colusa	83.3%	50 / 60		79.4%	81 / 102		\$	8,387.58		76.5%	39 / 51		63.5%	33 / 52
Glenn	94.6%	35 / 37		90.9%	40 / 44		\$	9,585.85		100.0%	16 / 16		100.0%	39 / 39
Sutter	83.2%	183 / 220		87.0%	140 / 161		\$	10,426.49		92.9%	91 / 98		90.6%	174 / 192
Yuba	80.4%	111 / 138		73.8%	90 / 122		\$	14,611.94		84.0%	68 / 81		81.7%	94 / 115

Dislocated Worker Program Performance

PERFORMANCE GOALS	Employment, Education, or Training Placement Rate - Q2 (Cohort Period: 7/1/21-6/30/2022)			Employment, Education, or Training Placement Rate - Q4 (Cohort Period: 1/1/21-12/31/21)			Median Earnings (Cohort Period: 7/1/21-6/30/22)		Credential Rate (Cohort Period: 1/1/21-12/31/21)		Measurable Skill Gains (Cohort Period: 7/1/22-6/30/23)			
	Percent			Percent					Percent		Percent			
	72.0%			72.0%			\$	8,500.00	70.0%			70.0%		
NCCC	83.0%	220 / 265		80.2%	231 / 288		\$	9,460.73		78.2%	97 / 124		79.1%	125 / 158
Colusa	79.5%	35 / 44		84.6%	55 / 65		\$	9,875.00		72.5%	29 / 40		68.9%	31 / 45
Glenn	100.0%	24 / 24		94.7%	36 / 38		\$	10,065.00		100.0%	7 / 7		100.0%	22 / 22
Sutter	82.2%	88 / 107		77.1%	84 / 109		\$	8,771.77		85.4%	35 / 41		76.7%	33 / 43
Yuba	81.1%	73 / 90		73.7%	56 / 76		\$	9,524.08		72.2%	26 / 36		81.3%	39 / 48

Youth Program Performance

PERFORMANCE GOALS	Employment, Education, or Training Placement Rate - Q2 (Cohort Period: 7/1/21-6/30/2022)			Employment, Education, or Training Placement Rate - Q4 (Cohort Period: 1/1/21-12/31/21)			Median Earnings (Cohort Period: 7/1/21-6/30/22)		Credential Rate (Cohort Period: 1/1/21-12/31/21)		Measurable Skill Gains (Cohort Period: 7/1/22-6/30/23)				
	Percent			Percent					Percent		Percent				
	79.0%			79.0%			\$	4,700.00	79.0%			69.0%			
NCCC	83.4%	211 / 253	UB	84.1%	227 / 270	UB	\$	5,956.37		86.0%	153 / 178	UB	85.5%	284 / 332	UB
Colusa	100.0%	19 / 19	3/3	95.2%	20 / 21	4/4	\$	9,272.42		89.5%	17 / 19	3/3	89.8%	53 / 59	12/12
Glenn	86.7%	13 / 15	5/5	93.8%	15 / 16	5/5	\$	8,661.16		86.7%	13 / 15	5/5	100.0%	43 / 43	22/22
Sutter	89.0%	121 / 136	10/10	87.4%	139 / 159	7/7	\$	5,047.19		85.7%	78 / 91	8/8	84.9%	118 / 139	24/25
Yuba	69.9%	58 / 83	13/14	71.6%	53 / 74	10/13	\$	7,308.37		84.9%	45 / 53	13/13	76.9%	70 / 91	34/37
Upward Bound	96.9%	31 / 32		89.7%	26 / 29		\$	4,122.98		100.0%	29 / 29		95.8%	92 / 96	

Upward Bound numbers are added into each one stop