| INVEST | INNOVATE | IMPACT |
|---|---|---|
| ○ Focus on data to prioritize investments.<br>○ Optimize ROI through resource management.<br>○ Increase resources for workforce development. | ○ Pursue practices & programs that can be scaled up.<br>○ Develop strategic partnerships.<br>○ Lead efforts that result in employment and advancement. | ○ Mobilize opportunities that support industry sectors.<br>○ Foster development of career pathways.<br>○ Educate communities about workforce services available. |

# AGENDA

## BOARD OF DIRECTORS

Tillamook People's Utility District

*Address: 1115 Pacific Ave, Tillamook, OR 97141*

Zoom

*Meeting ID: 886 3146 6180*

*Passcode: 794743*

*Computer:* https://us02web.zoom.us/j/88631466180?pwd=dPu0bCLZlflcasfQTOw8JpAUTFvrDX.1

**June 26, 2026 - 10:00am – Noon**

This meeting has been properly noticed and posted to the Northwest Oregon Works website for public posting in accordance with the Oregon Public Posting Laws.

*This Agenda is also available at www.nworegonworks.org.*

*Those wishing to speak should sign the "Public Comment" sign-in sheet*

*A quorum of the Local Elected Officials Consortium Board may be in attendance. No actions or decisions will be taken and will be reflected in the minutes of this meeting.*

1. **CALL TO ORDER, CONFIRMATION OF POSTING, and ROLL CALL**

2. **REVIEW and APPROVE AGENDA**
   Inclusion of any emergency items, or deletion of any items

3. **PUBLIC COMMENT SESSION**
   Please clearly state your name and address for the record. Each public comment will be limited to three (3) minutes at the Chair's discretion.

4. **CONSENT CALENDAR**
   - Accept Staff's recommendation to approve the Minutes of the April 24, 2026, Board Meeting.

5. **DISCUSSION and POSSIBLE ACTION** – Heather DeSart, NOW Executive Director. (5 minutes)
   - Accept Staff's recommendation to approve the new and revised to the following policies:
     - P06 Monitoring
     - P26 SAEF3 Participant Eligibility

6. **DISCUSSION and POSSIBLE ACTION** – Jason Swain, NOW CFO and Todd Simmons, NOW Treasurer
   Review and approve PY26-27 forecasted annual budget. (20 minutes)

7. **INFORMATION** – Breanna Henderson, Owner, Sea-Bre's Premium Seafood
   Business Presentation (25 minutes)

8. **INFORMATION** – Rebecca Donley, Hospitality Sector Strategist, Oregon Restaurant & Lodging Association (15 minutes)

9. **INFORMATION** – Shaun Barrick and Brittany Hjelte, Oregon Employment Department
   Oregon Employment Department Economic update (20 minutes)

10. **BOARD CHAIR REPORT** – Tony Erickson, Chair

11. **EXECUTIVE DIRECTOR'S REPORT** – Heather DeSart, NOW Executive Director

12. **BOARD MEMBER COMMENTS** – Roundtable

13. **SECOND PUBLIC COMMENT SECTION**
    Please clearly state your name and address for the record. Each public comment will be limited to three (3) minutes at the Chair's discretion.

14. **ADJOURN**

*Northwest Oregon Works meetings are open to the public and conform to Oregon Public Meetings Laws. A request for an interpreter for the hearing impaired or other accommodations for persons with disabilities, should be made at least 72 hours in advance of the meeting to our EO officer, Jason Swain at 541-921-7270 or jasons@nworegonworks.org. TTY is available at 711 or (800) 735-2900.*

# MINUTES

## NORTHWEST OREGON WORKS
## BOARD OF DIRECTORS
## MEETING

April 24, 2026

Oregon Coast Community College
Newport Campus
Zoom

**Present**:

**Board:**
**Tony Erickson**, Oregon AERO, Chair; **Corey Habiger**, Oregon Employment Dept.; **Eric Sherman**, IBEW Local 932; **John Hawkins**, Service Employees International Union; **Chad Fenison**, Local 737; **Linda Dugan**, Linda Dugan Insurance; **Lisa Avery,** Linn-Benton Community College; **Than Tussing**, Fast Lube and Oil; **Terre Cooper,** Tillamook County Economic Development; **Greg Morill,** Bergson Construction Inc.; **Remington Augustine,** WCT Marine;

**Excused: Gabe Gurule**, Corvallis Fire Department; **Zach Poole**, Pig' n Pancake, Vice Chair/Secretary; **Todd Simmons**, Tillamook Peoples' Utility District; **Carrie Norris,** Samaritan Health Service; **Ann Buchele**, Linn-Benton Community College; **Heather Taksdal,** Zwald Transport Inc.; **Lauren Smith**, DHS, Vocational Rehabilitation; **Paul Davis**, JBT Lektro;

**Consortium Guests:**
**Pamela Wev,** Clatsop County Commissioner; **Casey Miller,** Lincoln County Commissioner; **Gabe Shepherd**, Benton County Commissioner;

**Staff Present**:
**Jason Swain**, NOW CFO; **Katrina Sturgeon**, Workforce and Community Development Manager; **Logan Garner**, Youth Programs Manager; **Brittney Lane**, Office Manager; **Kortnie Williams**, Behavioral Health Program Manager; **Ferdinand Richter**, Youth Program Data Manager; **Niki Price,** Program Director

1. **CALL TO ORDER, CONFIRMATION OF POSTING, and ROLL CALL**
   *Chairman Erickson called the Meeting to order at 10:05am.*
   Chairman Erickson asked for confirmation of the public posting of the meeting; Ms. Lane confirmed; Roll Call taken, quorum was established.

2. **REVIEW and APPROVE AGENDA**
   *Chairman Erickson asked if there were any deletions or inclusions of any items into the agenda. Ms. Lane responded to the chairman and explained that Breanna Henderson would not be able to present today due to having the flu. Ms. Henderson will be offered the chance to present at the next board meeting in Tillamook. Other than this one deletion, there were no other changes made to the agenda.*
   **MOTION: Eric Sherman SECOND: John Hawkins MOTION CARRIED.**

3. **PUBLIC COMMENT SESSION**
   *No public comment was made.*

4. **CONSENT CALENDAR**
   Accept Staff's recommendation to approve the Minutes of the January 23, 2026 Board Meeting Minutes.
   *Commissioner Shepherd spoke up and stated that he was in attendance of the January board meeting but that the minutes didn't reflect his attendance. The minutes will be corrected and posted to the NOW Website.*
   **FIRST: Eric Sherman SECOND: John Hawkins MOTION CARRIED.**

5. **INFORMATION** DISCUSSION and POSSIBLE ACTION
   Nominate & Elect Board Officers (accept nominations and appoint with a majority vote)
   - Treasurer

   *Chairman Erickson made the announcement that the Northwest Oregon Works Board of Directors needs a Treasurer. An email was sent out to the entire Board recently asking for nominations for the position. Todd Simmons' name was entered in for a nomination. With no other nominations being submitted, Todd was appointed the new Treasurer of the board. The directory on the website will be updated to reflect the new appointment.*
   **FIRST: Eric Sherman SECOND: John Hawkins MOTION CARRIED.**

6. **INFORMATION** – Jason Swain, Chief Financial Officer, Northwest Oregon Works
   HECC Monitoring Report for Northwest Oregon Works and response
   *Jason Swain presented the HECC Monitoring Report and explained overall that while we did have some findings, they are all capable of being resolved. It was explained that Northwest Oregon Works has been given a direct timeline and steps to resolve the findings and that all precautions are being taken to prevent any further findings.*

7. **INFORMATION** – Marshall Roache, President, Oregon Coast Community College
   OCCC Update

8. **INFORMATION** – Paul Schuytema, Executive Director, Economic Development Alliance of Lincoln County
   Economic Update

9. **INFORMATION** – Shaun Barrick and Brittany Hjelte, Oregon Employment Department
   Lincoln County and Regional Update

10. **BOARD CHAIR REPORT** – Tony Erickson, Chair
    *Chairman Erickson made a thank you to Marshall Roache and to Oregon Coast Community College for hosting the board meeting. He also asked the Board to please excuse Heather DeSart's absence from the Board Meeting and thanked Jason for taking over in her absence.*

11. **EXECUTIVE DIRECTOR'S REPORT** – Jason Swain, Chief Financial Officer, Northwest Oregon Works
    *Jason also said thank you to OCCC and Marshall Roache. The next board meeting will be in Tillamook, location yet to be determined, on June 26, 2026. Jason introduced Niki Price, NOW's new Program Director. Niki spent a couple of minutes introducing herself and her background and said that she was excited to be a part of NOW and the work that the Board does.*

12. **BOARD MEMBER COMMENTS** – Roundtable
    *Eric Sherman made a comment about the transition between HECC and OED and stated that he thinks it imperative that the board do everything it can to make sure that our regions are represented and that our structure is kept the way that it is. Commissioner Wev spoke up as well and talked about the state of Astoria and that there are improvements happening to bring more attraction to Clatsop County and she's excited for the next time that our Board is in that region.*

13. **SECOND PUBLIC COMMENT SECTION**
    *No public comment was made.*

14. **ADJOURN**
    *The meeting was adjourned at 11:37 am.*

| | |
|---|---|
| NORTHWEST OREGON WORKS | **POLICY P06: MONITORING** |
| | **Effective Date: ~~7/1/2026~~DRAFT 6/26/26** |
| | ☐ **NEW**<br>☒ **REVISED** |

**PURPOSE**

The purpose of this policy is to outline guidance regarding monitoring by Northwest Oregon Works (NOW) for subawards creating an assistance agreement with the intention for subrecipients to carry out or achieve a public purpose.

**POLICY**

Northwest Oregon Works (NOW) will conduct annual monitoring of all subrecipients and contractors to ensure compliance with WIOA requirements and NOW's rules and regulations. This process will include a desk audit and at least one onsite review at one of our 6 WorkSource Oregon centers, ~~. T~~to be rotated annually. A comprehensive report summarizing the results of all subrecipient monitoring will be submitted annually to the Northwest Oregon Works Board.

~~Northwest Oregon Works (NOW)~~NOW staff will provide a written Monitoring Guide to subrecipients and contractors no less than two months in advance of the on-site visit, allowing for the timely return of written responses, general ledgers, charts of accounts and other required documents. NOW staff will notify ~~notify s~~ubrecipients and contractors approximately one month prior to ~~an~~ onsite monitoring visit(s) to confirm the date and time arrangements. ~~During this 30-day period, subrecipients and contractors will be asked to complete the monitoring guide.~~

The desk audit will be conducted by both fiscal and program staff, and will review the contract scope of work, budget activity, accounting practices and program participant data. The review will assess contractual compliance and identify any areas of non-performance.

At the same time, NOW will conduct an on-site audit of at least~~at~~ one center, reviewing ~~the~~ program delivery and participant data. ~~contract scope of work, budget activity, and participant data.~~

The onsite monitoring will begin with an entrance conference with the subcontractor/contractor's program administrator and fiscal manager to outline the purpose of the visit and review specific tasks to be completed. A facility tour will evaluate health and safety conditions, accessibility for individuals with disabilities, overall comfort, adequacy of training equipment and materials, visibility of required Equal Opportunity is the Law notices, and other factors impacting program compliance.

During the visit, reviewers may examine documentation such as administrative records, contract files, financial records, and participant files. Interviews may also be conducted with provider staff, participants, and employers to gather insight into program administration, operations, and the quality and effectiveness of training. ~~The review will assess contractual compliance and identify any areas of non-performance.~~

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At the conclusion of the onsite visit, NOW will hold an exit conference with the program administrator ~~and fiscal manager~~ or designated representative to discuss preliminary results, outline any required corrective actions, and provide technical assistance as appropriate.

Monitoring Report:
A final monitoring report will be issued within 30 calendar days of the review to Northwest Oregon Works Board. Subrecipients and contractors will then have 30 days from the exit conversation to respond to or appeal any findings. NOW's Executive Director will issue a written final decision on any appeal. Corrective action plans may also be issued as a result of monitoring findings, with clear timelines and compliance parameters specified in separate corrective action documents.

**REFERENCES**
Code of Federal Regulations 29 CFR 683.410 WIOA Sec. 183

| | |
|---|---|
| NORTHWEST OREGON WORKS | **POLICY P06: MONITORING** |
| | **Effective Date: 6/26/26** |
| | ☐ **NEW**<br>☒ **REVISED** |

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**REFERENCES**
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| | |
|---|---|
| NORTHWEST OREGON WORKS | **POLICY P-26: SAEF3 PARTICIPANT ELIGIBILITY** |
| | **EFFECTIVE DATE: PENDING** |
| | ☒ **NEW**<br>☐ **REVISED** |

**PURPOSE**

To establish clear and consistent criteria for determining participant eligibility for Northwest Oregon Works' (NOW) State Apprenticeship Expansion Formula 3 (SAEF3) grant activities in accordance with grant requirements.

**POLICY**

Northwest Oregon Works will only enroll individuals in SAEF3-funded participant services when they meet the eligibility criteria established in Grant Agreement No. 25-124C. Eligible participants are persons 16 years of age and older who receive a direct, grant-funded service. Grant-funded services include related on-the-job training, related instruction, or support services.

This policy applies to all SAEF3-funded activities conducted between July 1, 2025, and June 30, 2028, including the Qualified Mental Health Associate (QMHA) and Certified Alcohol and Drug Counselor (CADC) apprenticeship pathways for eligible participants enrolled.

**Eligible Participant Categories**

The SAEF3 grant supports four participant categories, all of whom must be at least 16 years old and receive a direct, grant-funded service:

1. New Apprentices: Individuals newly enrolled in a Registered Apprenticeship Program (RAP)
2. Prospective Apprentices: Individuals interested in entering a RAP who receive preparatory services
3. Pre-Apprenticeship Participants: Individuals enrolled in pre-apprenticeship programs leading to enrollment in a RAP
4. Current Registered Apprentices: Individuals already enrolled in a RAP receiving retention and completion support services

**Reportable Individuals (Non-Participants)**

Reportable individuals are **not participants** but are tracked for grant reporting purposes. A reportable individual is:

- An individual at least 16 years old, AND

- Enrolled in a RAP that was developed or expanded with SAEF3 grant funds, AND
- Does **not** receive a direct, grant-funded participant-level service

**Veterans Priority of Service**

In accordance with the Jobs for Veterans Act (JVA), Pub. L. 107-288 (38 USC 4215), NOW shall provide priority of service to veterans and eligible spouses of veterans for all SAEF3-funded employment, training, and placement services.

When choosing between two equally qualified candidates for a service, NOW must give the veteran or eligible spouse priority by providing services to them first. To receive priority of service, veterans and eligible spouses must meet all program eligibility requirements.

**Nondiscrimination Requirements**

NOW shall not discriminate against any individual on the basis of race, color, religion, sex, national origin, age, disability, political affiliation, or belief in determining eligibility for SAEF3 program participation. All eligibility determinations shall comply with:

- Section 188 of the Workforce Innovation and Opportunity Act (WIOA)
- Title VI of the Civil Rights Act of 1964
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title IX of the Education Amendments of 1972
- 29 CFR Part 38 and all implementing regulations

**PROCEDURE**

**Eligibility Verification Process**

1. Initial Inquiry: When an individual expresses interest in SAEF3-funded programs, the Behavioral Health Program Manager or designee shall:
    - Provide program information and eligibility requirements
    - Conduct preliminary screening to determine if the individual meets age requirements (16+)
    - Explain the nature of services available and expected outcomes
2. Application and Documentation: Prospective participants shall complete:
    - SAEF3 Program Application Form
    - Demographic information form (for federal reporting)
    - Self-identification of veteran status (optional)
3. Veteran Priority Verification: If an applicant self-identifies as a veteran or eligible spouse, NOW shall:

- Request documentation (DD-214, marriage certificate, etc.)
- Flag the individual for priority of service
- Ensure priority is applied when services are allocated

4. Service Determination: The Behavioral Health Program Manager shall verify:
    - The individual will receive a direct, grant-funded service
    - The service aligns with allowed participant services (on-the-job training, related instruction, or support services)
    - The individual fits one of the four eligible participant categories
5. Eligibility Determination: The Behavioral Health Program Manager shall:
    - Review all documentation for completeness
    - Verify age requirement (16+)
    - Confirm service provision
    - Make final eligibility determination within 15 business days of application
6. Notification: Applicants shall be notified in writing of:
    - Eligibility determination (approved or denied)
    - Reason for denial, if applicable
    - Right to appeal determination
    - Next steps for enrollment if approved
7. Enrollment: Eligible participants shall:
    - Complete enrollment paperwork
    - Be assigned to appropriate apprenticeship pathway (QMHA or CADC)
    - Receive orientation to program requirements and expectations
    - Be entered into data tracking systems (WorkHands)

**Appeals Process**

Individuals denied eligibility may request reconsideration by submitting a written appeal to the Executive Director within 30 calendar days of receiving denial notification. The Executive Director or designee shall review the appeal and issue a written decision within 15 business days. The Executive Director's decision shall be final.

**Documentation and Record Retention**

All eligibility documentation, including applications, eligibility determinations, and appeal records, shall be maintained in accordance with Section 34 of Grant Agreement 25-124C, which requires retention for a minimum of six years following grant termination or until the conclusion of any audit, controversy, or litigation, whichever is later.

**DEFINITIONS**

**CADC (Certified Alcohol and Drug Counselor I, II, or III):** A professional certification for individuals providing substance use disorder counseling and treatment services in Oregon.

**Direct Grant-Funded Service:** Services provided to participants using SAEF3 grant funds, including on-the-job training, related instruction, or support services.

**Eligible Spouse:** The spouse of a veteran who died of a service-connected disability; the spouse of a member of the Armed Forces serving on active duty who has been listed for a total of more than 90 days as missing in action, captured in the line of duty, or forcibly detained by a foreign government or power; the spouse of a veteran who has a total disability resulting from a service-connected disability; or the spouse of a veteran who died while a disability was in existence.

**Participant:** An individual determined to be eligible under SAEF3 criteria who receives a grant-funded service through the program.

**QMHA (Qualified Mental Health Associate):** An entry-level mental health professional in Oregon who provides mental health services under supervision.

**Registered Apprenticeship Program (RAP):** A formal, industry-approved program combining paid on-the-job training with related technical instruction, leading to a nationally recognized credential and career pathway, validated by the U.S. Department of Labor or a State Apprenticeship Agency.

**Reportable Individual:** An individual at least 16 years old who is enrolled in a RAP that was developed or expanded with SAEF3 grant funds but does not receive direct, grant-funded participant-level services.

**Support Services:** Services that enable an individual to participate in a Registered Apprenticeship Program, which may include but are not limited to transportation assistance, childcare, work clothing/equipment, and educational supplies.

**Veteran:** A person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable, as defined by 38 U.S.C. 101.

**REFERENCES**

- Grant Agreement No. 25-124C (State Apprenticeship Expansion Formula 3), Exhibit A, Part 2
- Federal Notice of Award CFDA 17.285, FAIN 25A60AP000125
- Jobs for Veterans Act, Pub. L. 107-288 (38 USC 4215)
- 20 CFR Part 1010 (Veterans Priority of Service)
- USDOL Training and Employment Guidance Letter (TEGL) No. 10-09
- Section 188 of the Workforce Innovation and Opportunity Act (WIOA)

- 29 CFR Part 38 (WIOA Nondiscrimination and Equal Opportunity Regulations)
- NOW Policy A05 (Policy Development)

**APPROVAL AND IMPLEMENTATION**

This policy shall be submitted to the Northwest Oregon Works Board of Directors for approval in accordance with Policy A05 (Policy Development). Upon Board approval, this policy shall be implemented within 30 days and shall apply to all SAEF3 program activities during the grant period (July 1, 2025 – June 30, 2028).

All affected staff, contractors, subrecipients, and partners shall be notified of this policy and shall implement and comply with its provisions. Compliance will be reviewed as part of NOW's program monitoring processes.

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**Policy Developed By:** Kortnie Williams, Behavioral Health Program Manager
**Date Developed:** March 19, 2026
**Reviewed By:** Niki Price, Program Director
**Board Approval Date:** [To be completed upon Board approval]
**Next Review Date:** March 19, 2027

**NOW Annual Budget**
***Program Year 26-27***

| Line # | | Program Year July 2026 - June 2027 | | | | |
|---|---|---|---|---|---|---|
| | | PY25-26 Carry Over | PY26-27 Awarded | ADJ | Total Funding | % |
| | **Federal Funding** | | | | | |
| 1 | DOL Workforce Innovative Opportunity Act (Youth) | 139,543 | 774,688 | - | 914,231 | 20.5% |
| 2 | DOL Workforce Innovative Opportunity Act (Adult) | 69,345 | 583,942 | - | 653,287 | 14.6% |
| 3 | DOL Workforce Innovative Opportunity Act (DW) | 186,697 | 442,729 | - | 629,426 | 14.1% |
| 4 | DOL/HECC Apprenticeship Expansion | 400,000 | - | - | 400,000 | 9.0% |
| 5 | DOL National Dislocated Workers | - | 152,518 | - | 152,518 | 3.4% |
| 6 | DOL Rapid Response | 30,908 | 40,500 | - | 71,408 | 1.6% |
| 7 | DOL Dislocated Worker Disaster Recovery | 50,000 | - | - | 50,000 | 1.1% |
| 8 | DOL High Concentration Youth | 18,888 | 10,000 | - | 28,888 | 0.6% |
| 9 | **Total Federal Funding** | 895,381 | 2,004,377 | - | **2,899,758** | **65%** |
| | **State Funding** | | | | | |
| 10 | HECC Oregon Youth Employment | 293,196 | - | - | 293,196 | 6.6% |
| 11 | HECC Workforce Strategy Board Support | 268,500 | - | - | 268,500 | 6.0% |
| 12 | ODE Youth Reengagement Opportunity | 212,551 | - | - | 212,551 | 4.8% |
| 13 | HECC Work Experience | 178,736 | - | - | 178,736 | 4.0% |
| 14 | HECC Maritime Workforce | 143,405 | - | - | 143,405 | 3.2% |
| 15 | ODE Youth Development Reengagement | 100,000 | - | - | 100,000 | 2.2% |
| 16 | HECC Industry Engagement | 97,292 | - | - | 97,292 | 2.2% |
| 17 | **Total State Funding** | 1,293,680 | - | - | **1,293,680** | **29%** |
| | **Local/Other Funding** | | | | | |
| 18 | IHN HealthCare Supplement | 210,004 | - | - | 210,004 | 4.7% |
| 19 | Unrestricted | 61,000 | - | - | 61,000 | 1.4% |
| 20 | **Total Local Funding** | 271,004 | - | - | **271,004** | **6%** |
| 21 | **Total Funding** | **$ 2,460,064** | **$ 2,004,377** | **$ -** | **$ 4,464,441** | **100%** |

| | | Budgeted Expenses | ADJ | Total Expenses | % |
|---|---|---|---|---|---|
| | **Operating Payroll Expenses** | | | | |
| 22 | Wages | 246,802 | - | 246,802 | 6.4% |
| 23 | Employee Health Insurance | 29,339 | - | 29,339 | 0.8% |
| 24 | Payroll Taxes | 23,360 | - | 23,360 | 0.6% |
| 25 | Employee Retirement Plan | 14,808 | - | 14,808 | 0.4% |
| 26 | PTO | 12,198 | - | 12,198 | 0.3% |
| 27 | **Total Operating Payroll Expenses** | 326,507 | - | **326,507** | **8.5%** |
| | **Operating General Expenses** | | | | |
| 28 | Audit & Legal Services | 36,500 | - | 36,500 | 0.9% |
| 29 | Memberships | 31,000 | - | 31,000 | 0.8% |
| 30 | Travel | 30,000 | - | 30,000 | 0.8% |
| 31 | Phone/Internet/Subscriptions | 28,500 | - | 28,500 | 0.7% |
| 32 | Staff Training/Development | 10,000 | - | 10,000 | 0.3% |
| 33 | Processing Fees | 16,000 | - | 16,000 | 0.4% |
| 34 | Supplies/Postage/Meetings | 15,000 | - | 15,000 | 0.4% |
| 35 | Professional Services | 12,700 | - | 12,700 | 0.3% |
| 36 | Insurance | 12,000 | - | 12,000 | 0.3% |
| 37 | Office Equipment/Software | 7,300 | - | 7,300 | 0.2% |
| 38 | Office Lease | 1,500 | - | 1,500 | 0.04% |
| 39 | Depreciation | - | - | - | 0.0% |
| 40 | **Total Operating General Expenses** | 200,500 | - | **200,500** | **5%** |
| 41 | **Total Operating Expenses** | 527,007 | - | **527,007** | **14%** |
| | **Program Payroll Expenses** | | | | |
| 42 | Wages | 456,189 | - | 456,189 | 11.8% |
| 43 | Payroll Taxes | 43,178 | - | 43,178 | 1.1% |
| 44 | Employee Health Insurance | 32,695 | - | 32,695 | 0.8% |
| 45 | PTO | 23,831 | - | 23,831 | 0.6% |
| 46 | Employee Retirement Plan | 17,116 | - | 17,116 | 0.4% |
| 47 | **Total Program Payroll Expenses** | 573,010 | - | **573,010** | **15%** |
| | **Program General Expenses** | | | | |
| 48 | Outreach Awards/Services | 776,120 | - | 776,120 | 20.1% |
| 49 | Outreach General Expenses | 83,542 | - | 83,542 | 2.2% |
| 50 | WSO Leases | 58,823 | - | 58,823 | 1.5% |
| 51 | WSO Software | 35,000 | - | 35,000 | 0.9% |
| 52 | WSO Shared Expenses | 15,480 | - | 15,480 | 0.4% |
| 53 | WSO Business Services | 12,000 | - | 12,000 | 0.3% |
| 54 | **Total Program General Expenses** | 980,965 | - | **980,965** | **25%** |
| | **Program Subrecipient Expenses** | | | | |
| 55 | Workforce Innovation Opportunity Act | 1,350,000 | - | 1,350,000 | 35.0% |
| 56 | Work Experience | 152,370 | - | 152,370 | 3.9% |
| 57 | National Dislocated Workers | 135,500 | | 135,500 | 3.5% |
| 58 | Quest Dislocated Worker | 50,000 | - | 50,000 | 1.3% |
| 59 | WIOA One Stop Operator | 35,000 | - | 35,000 | 0.9% |
| 60 | High Concentration Youth | 28,888 | - | 28,888 | 0.7% |
| 61 | WIOA Maritime | 25,000 | - | 25,000 | 0.6% |
| 62 | **Total Subrecipient Expenses** | 1,776,758 | - | **1,776,758** | **46%** |
| 63 | **Total Program Expenses** | 3,330,733 | - | **3,330,733** | **86%** |
| 64 | **TOTAL EXPENSES** | **$ 3,857,740** | **$ -** | **$ 3,857,740** | |
| 65 | ***NET FUNDING & EXPENSES*** | | | **$ 606,702** | |

# Northwest Oregon Works

Post Office Box 140 Lincoln City, Oregon 97367 (541) 264-4033 • FAX (541) 648-5282

www.nworegonworks.org

## Fiscal Year 2026-2027
## Board Meeting June 26th 2026

Treasurer Officer
Todd Simmons
Tsimmons@tpud.org

**Budget Summary**

Northwest Oregon Works (NOW) was established on July 1, 2015, as an Oregon-based 501(c)(3) nonprofit. It serves five counties in Northwest Oregon: Benton, Clatsop, Columbia, Lincoln, and Tillamook. As a workforce development organization, NOW helps employers recruit and retain workers and supports individuals in finding employment. Its annual budget is designed to advance these goals.

**Detailed Budget**

This narrative provides additional detail on NOW's projected revenues and expenditures. As a nonprofit, NOW does not use proprietary or fiduciary funds such as the general, capital, and debt service funds common in state and local government accounting. Instead, the budget is organized by program, with each section outlining planned objectives and related revenues and expenses. The revenue section separates projected funding into federal, state, and local sources, helping board members evaluate funding levels and identify fundraising opportunities in lower-funded priority areas. Revenue is also divided between carryover funds and current-year awards to reflect contracts that span multiple years. The expenditure section is organized into three groups. The first covers NOW's internal operating costs, including wages and benefits for administrative staff. The second includes expenses for internally administered programs, such as program staff wages and benefits, consulting contracts, and direct costs for WorkSource centers, including rent and utilities. The third covers subawards to subrecipients, which typically make up the largest share of program costs because NOW primarily serves as a pass-through entity for federal grant funding.

## Budget Variances

NOW's largest funding source is Workforce Innovation and Opportunity Act (WIOA) federal funding received through the State of Oregon. These funds are projected to account for 49% of NOW's total funding for PY26-27. Compared with PY25-26, NOW's awarded WIOA allocation increased by $351,150, a 24% increase.

NOW expects to carry over an estimated $2,460,000 from PY25-26 for use in PY26-27. Total revenue is projected at $4,464,000, down about $3 million from last year's $7,446,000. Total expenses are projected at $3,858,000, compared with $5,889,000 last year. Carryover into PY27-28 is projected at $547,000, down from $1,857,000 last year, largely due to the conclusion of biennium contracts during PY26-27. Of the carryover amount of 547,000, NOW has reserved $345,000 to cover operations and programs during July, August, and most of September if WIOA funding is delayed.

NOW currently has several grant proposals under review. The organization manages the full grant development process internally, including identifying opportunities, preparing applications, and submitting proposals, rather than relying on outside consultants.

## Cost Percentages

Of projected PY26-27 expenditures, 14% is allocated to administrative operating costs, 40% to internal program costs, and 46% to subrecipient contract awards.

The projected PY26-27 programs and initiatives are as follows:

- Industry manufacturing collaboration
- Industry leisure & hospitality
- Industry maritime worker training
- Industry healthcare with an emphasis on behavioral health
- Other various workforce programs such as efforts to assist affected areas with disaster funds, enhance workforce services with outreach, and workforce initiatives under WIOA Title IB.

Additional details supporting the revenue and expenditure categories in NOW's proposed budget is available upon request from the Treasurer, Executive Director, or CFO.

## DEPARTMENT OF LABOR (DOL)

WORKFORCE INNOVATION OPPORTUNITY ACT *(WIOA)*

- WIOA ADMIN funds are used for NOW's internal operational costs.

- WIOA ADULT funds are used for OJT's (On-the-Job-Training), ITA's (Individual Training Accounts), and Work Experience for adults aged 18 and up.

- WIOA YOUTH funds are used for career exploration, pre-employment training, re-engagement in education, comprehensive guidance and counseling, financial literacy, job search assistance, follow-up services, support services, tutoring, occupations skills training, contextualized education, leadership development, adult mentoring, work experience (summer employment opportunities, pre-apprenticeship programs, internships, job shadowing, and on-the-job training opportunities) for youth aged 16-24 (out-of-school youth) and 16-21 (in-school-youth) with a minimum of 75% of youth participants meeting out-of-school eligibility requirements.

- WIOA DISLOCATED WORKER (DW) funds are used for OJT's (On-the-Job Training), ITA's (Individual Training Accounts), and Work Experience for dislocated workers, aged 18 or older and meeting one of the following criteria:

    - General dislocation
    - Dislocation from facility closure/substantial layoff
    - Self-employed dislocation
    - Displaced homemaker
    - Dislocated separating military service members
    - Spouses of military service members

- WIOA HIGH CONCENTRATION OF YOUTH FUNDS (HCY) funds are used to provide additional assistance to local areas that have high concentrations of eligible youth.

- WIOA RAPID RESPONSE FUNDS (RR) in Oregon provide immediate assistance to workers and employers during layoffs or business closures, helping mitigate the impact on employees. This program offers services such as job search assistance, retraining, and access to unemployment benefits, while supporting businesses in managing workforce transitions effectively.

- WIOA DISLOCATED WORKER GRANT - QUEST FUNDS (DWG) support disaster recovery efforts by providing targeted workforce training and employment services in areas affected by natural disasters. These funds help individuals gain new skills, find employment opportunities, and assist in rebuilding efforts, fostering both economic recovery and community resilience.

- WIOA NATIONAL DISLOCATED WORKER GRANT (NDWG). A three-year grant providing immediate economic stabilization for the Intel layoffs. The purpose is to retain the talent that was laid off from Intel, facilitate quick re-entry into the labor market, provide career transition support, address barriers to employment and connect participants to quality jobs.

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**HIGHER EDUCATION CORRDINATING COMMISSION (HECC)**

- BOARD SUPPORT WORKFORCE STRATEGIES (WFS) funds are used to provide financial resources to the grantee to assist with the general costs of running a Local Workforce Development Board (LWDB).

- INDUSTRY ENGAGEMENT (IE) funds support workforce development by fostering partnerships between businesses, education providers, and workforce organizations. These funds aim to address skill gaps and meet the evolving needs of industries by investing in training and upskilling workers to align with employer demand.

- WORK EXPERIENCE (WEX) funds provide individuals with short-term, practical job placements to help them gain hands-on experience and develop essential workplace skills. This program connects participants with employers, giving them the opportunity to build a strong work history and improve their chances of securing long-term employment.

- MARITIME WORKFORCE funds are dedicated to supporting the growth and sustainability of the maritime industry by addressing workforce needs. These funds focus on training and upskilling workers to meet industry demands, promoting career opportunities, and ensuring the long-term viability of Oregon's maritime sector.

- OREGON YOUTH EMPLOYMENT PROGRAM (OYEP) funds provide young people with meaningful work experience, skills training, and career exploration opportunities. This program focuses on preparing youth for the workforce by connecting them with local employers, fostering job readiness, and supporting long-term career development.

- UNRESTRICTED GENERAL funds are used to cover other NOW internal operating costs without program or timing restrictions.

**OREGON DEPARTMENT OF EDUCATION (ODE)**

- YOUTH DEVELOPMENT OPPORTUNITY funds support youth in continuing education/career journeys providing wraparound support for basic and educational needs with a focus on incentives for GED test completions, tuition costs for transitioning students from GED or high school education.

- YOUTH DEVELOPMENT REENGAGEMENT funds provide financial support to individuals seeking to transition into new careers or industries, particularly in high-demand fields. This grant helps cover the cost of education, training, and certifications, empowering individuals to gain the skills needed for sustainable, long-term employment.

**INTERCOMMUNITY HEALTH NETWORK (IHN)**

- Focuses on integrating behavioral health services with healthcare to provide comprehensive support for individuals facing mental health and substance use challenges. This program enhances access to coordinated care, connecting people with the resources they need to achieve overall well-being and improve their quality of life.

# Questions and Answers on the HECC Realignment

Phase One, 2026

## Why is the agency structure changing?

**The HECC realignment plan will better equip the agency to achieve strategic goals for Oregon learners, jobseekers, and communities statewide. The plan is intended to support greater collaboration and coordination, clearer inter-office partnerships, stronger workforce and education policy connections, and a more focused, unified approach to budget and resources. To make this happen, the HECC is updating its organizational structure, adopting operational improvements, and recentering a culture of collaboration and innovation.**

In the course of strategic planning and ensuing discussions, HECC leadership, staff, and partners identified an opportunity to update the HECC's organization structure to better promote the cross-sector collaboration, innovation, and efficiency needed to achieve our goals. The current HECC organizational structure is complex with eight parallel offices reporting to an executive director, and it has not changed significantly since the agency was first formed in 2013-15, while the agency mission, vision, and goals have evolved. Our work increasingly calls for connection, including strategies that center the needs of Oregon learners, and more intentional workforce and education policy linkages. We are increasingly called to collaborate to serve all Oregonians equitably and to respond to the state's workforce, economic, and community needs. This means shifting away from a primarily sector-specific or program-specific lens and bringing more intentional focus on public policy and funding connections and collaborative strategies to serve learners and the state.

## Are there layoffs or budget cuts?

**No. There are no layoffs anticipated. This realignment does not reduce the size, number of employees, or budget of the agency,** but it helps us make best use of the agency operational budget and grant making programs as we work to achieve more for Oregonians in a constrained budget environment.

## Will my position classification remain the same?

Managers will discuss any specific changes with affected employees, but **nearly all position classifications will stay the same, and those few that do change move up in classification.**

## Will I report to the same manager?

Only a few reporting relationships change in Phase One, and most of the changes to positions are in leadership positions. Managers will discuss any specific changes with affected employees and featured changes are summarized in this document.

## When does Phase One of the realignment start?

The executive team will be working with all agency units to make the first phase of these changes active on July 1, 2026. This coincides with the anticipated timing for the transfer of some workforce programs to the Oregon Employment Department.

This is Phase One in a multi-phased realignment process to achieve a structure that helps us advance our goals. We are starting with primarily leadership structural changes in Phase One of the realignment, and we will have further clarification on the office and programs within this new structure in coming months.

## What is expected of me?

You are welcome and encouraged to ask questions and stay engaged in this change process. We also encourage you to consider the goals of the realignment and how you can help to contribute to a culture of increased collaboration. Every employee is expected to contribute to the successful implementation of the realignment to better achieve our agency's mission.

## What is happening in Phase One?

The HECC is beginning Phase One of a realignment process to align the organizational structure with its goals. The new organizational chart and summary of specific changes are described in the HECC Realignment Plan document. The first phase of the realignment, to occur in July 2026, simplifies the executive structure with a focus on our key roles in strategic policy and funding, and in doing so, positions the agency to integrate initiatives, programs and policies in more effective ways. Highlights:

- **In this structure, the Executive Director (Ben Cannon) will supervise two deputies instead of one**: the Deputy of Policy and Programs (Ramona Rodamaker) and the Director of Operations and Finance (Jim Pinkard). These two deputies, along with the Chief Education & Workforce Strategy Officer (Julia Pontoni), will meet regularly with the Executive Director to set agency priorities and ensure that policies, programs, budgets, and operational services are aligned to achieve agency goals.
- **Policy and Programs** --including Education and Workforce Strategy, Office of Academic Policy and Authorization (APA), Office of Community Colleges and Workforce Development (CCWD), Office of Student Access and Completion (OSAC), and the Office of Performance and Strategy (formerly R&D) —will support cross-pollination of ideas across policy work and programs.
- **Operations and Finance**—including Auditing, Human Resources, Administrative Services, Continuous Service Improvement, and Postsecondary Finance and Capital (PFC) —will work to ensure that all services in this area are well coordinated and that the department focuses on developing a more focused, unified departmental approach to managing budget and other resources.
- Changes to programs that are currently in the Office of Workforce Investments (OWI) anticipate the planned transfer of some OWI programs (Title I and WTDB) to OED. As of July 1, current OWI programs will be in housed in 2 areas:
    - Some workforce functions will be under the leadership of the Chief Education and Workforce Officer Julia Pontoni (including industry consortia and sector strategies, and the programs transitioning to OED until that transition occurs).
    - Other workforce programs (Oregon Youth Works, OregonServes, Future Ready Oregon grant programs, and apprenticeship), will move to CCWD to promote education and workforce connections, but will remain under the leadership of Myronda Schiding who will be Workforce Deputy Director in CCWD.
- A Continuous Service Improvement office (formerly Project Management) will support the whole agency through training, facilitation, business planning, and project management services.
- The Legislative, Communications, Diversity, Equity, Inclusion, and Accessibility, and Transfer Initiatives leadership will continue in Phase One to report to the executive director, though this part of the agency structure will be considered more in Phase Two.

The first phase of realignment also aims to improve collaboration and internal processes, so that we can do our work more efficiently, fostering better coordination among related functions, and strengthening project management skills and resources for staff across the agency.

## What is planned for Phase Two?

We will keep staff informed as we develop the plan for Phase Two. While planning will begin as soon as August 2026, we don't anticipate starting implementation until January 2027. More details can be found in the full HECC Agency Realignment Plan document, but there will be two main considerations for the Phase Two work as we work to further the realignment goals:

1. Take a closer look at the programs and initiatives currently located under APA, CCWD, OSAC, and Transfer Initiatives to determine if there is a better way to align the work to support coordinated policies and practices and,
2. Examine functions residing under the Executive Director (primarily Legislative Affairs, Communications, and Diversity, Equity, Inclusion and Accessibility) to see if we can better coordinate this work.

**There will be many discussions with staff and partners to come regarding Phase Two and how best to achieve the realignment goal**s. We may host town halls to gather input from partners, schedule brown bag lunch (TEAMS) meetings with staff, charge work groups with researching options and making recommendations, etc. Stay tuned for opportunities for engagement!

## How can I ask questions or give input?

We welcome questions and comments and encourage your engagement. Because we are approaching this work in phases, some details may not be decided yet, but we will work to keep you updated on what we know. You can either ask your manager or send questions or comments to HECC.Questions@hecc.oregon.gov. Agency leadership will address questions either individually or in all staff communications, depending on the nature of the question.