



AGENDA

June 12, 2026

8:00 am–8:50 am

In-person attendance in Conference Room 124, Monticello office

Please go to the board meeting page for all meeting materials:

<https://www.cmjts.org/cmjts-joint-powers-board-workforce-development-board-and-committee-meetings>

MEMBERS:

- | | |
|---|---|
| <input type="checkbox"/> Rob Stark WDB Chair | <input type="checkbox"/> Commissioner Jeanne Holland, JPB Chair |
| <input type="checkbox"/> Rebecca Nelson, WDB Vice Chair | <input type="checkbox"/> Commissioner Dan Whitcomb, JPB Vice Chair |
| <input type="checkbox"/> Lisa Zwart WDB Treasurer | <input type="checkbox"/> Commissioner Duane Anderson, JPB Secretary |
| <input type="checkbox"/> Lori Vrolson, WDB Secretary | <input type="checkbox"/> Janelle Sowers, Youth Committee Co-Chair |
| <input type="checkbox"/> Mark Netzing, WD Committee Chair | |

STAFF:

- | | |
|--|---|
| <input type="checkbox"/> Dina Wuornos, Executive Director | <input type="checkbox"/> Diana Ristamaki, Youth Manager |
| <input type="checkbox"/> Leslie Wojtowicz, Development Mgr | <input type="checkbox"/> Joe Sharpe, Adult Manager |
| <input type="checkbox"/> Michelle Johnson, PA Manager | <input type="checkbox"/> Kristin Yeager, HR/IT Director |
| <input type="checkbox"/> Jake Humphrey, Finance Manager | |

1. Approval of the Consent Agenda

- a. Meeting Agenda*
- b. Previous Meeting Minutes*

2. Financial Reports and Bank Reconciliations (Information is available on the Operations Committee Page to review and approve) (Motion to Approve) – Humphrey

[CMJTS Operations Committee Meeting Page - CMJTS](#)

3. Old Business

- a. 2024-2025 Annual Fiscal Audit* (Motion to Approve) - Stark
- b. Cash Advance Application Request update - Wuornos –
- c.

4. New Business

- a. Retirements (Motion to Accept) – Stark
 - i. Mark Netzing
- b. Resignations (Motion to Accept) – Stark
 - i. Rebecca Nelson*
- c. WDB Applications (Motion to Approve) – Stark

- i. Bob Dockendorf*
- ii. Gary Foster*
- d. August Operations Committee meeting discussion – Wuornos
- e. Executive Director performance review form and process* – Yeager/Stark
- f. WDB Predictive Market Policy* - Wuornos (Motion to Approve) - Yeager
- g. 2026-27 CMJTS Merit Increase Matrix and Salary Scale * (Motion to Approve) - Yeager

5. Donations and Fundraising Updates – Wojtowicz

6. Manager Reports – pending available time

7. Adjournment

***Attachments**

NEXT MEETING SCHEDULE

No meetings in July 2026

August 14, 2026

8:30 am – 9:30 am CMJTS Operations Committee

September 8, 2026

8:00 am – 8:50 am CMJTS Operations Committee

9:00 am – 9:30 am LMI

9:40 am – 10:50 am Workforce Development Committee

9:40 am – 10:50 am Community & Government Relations Committee

9:40 am – 10:50 am Youth Committee

11:00 am – 12:15 pm Workforce Development Board

All Meeting information and attachment information can be found:

CMJTS Joint Powers Board, Workforce Development Board, and Committee Meetings Page:

<https://www.cmjts.org/cmjts-joint-powers-board-workforce-development-board-and-committee-meetings/>

**JOINT MEETING JOINT POWERS and WDB OPERATIONS COMMITTEE
2024-2025 ANNUAL FISCAL AUDIT PRESENTATION
MEETING MINUTES**

May 8, 2026

MEMBERS PRESENT: JOINT POWERS BOARD

Commissioners Duane Anderson (secretary), Wendy Caswell, Alan Duff, Steve Hallan, Paul Johnson, John Robinson, Brad Schumacher

MEMBERS PRESENT: WDB OPERATIONS COMMITTEE

Rob Stark (Chair), Lisa Zwart, (Treasurer), Lori Vrolson (Secretary), Commissioner Duane Anderson (JPB Secretary),

MEMBERS ABSENT: JOINT POWERS BOARD

Commissioners Jeanne Holland (chair), Dan Whitcomb (vice-chair), Rick Greene, Doug Krueger,

MEMBERS ABSENT: WDB OPERATIONS COMMITTEE

Rebecca Nelson (vice chair), Mark Netzinger, Janelle Sowers, Commissioners Jeanne Holland (JPB Chair), Dan Whitcomb (JPB Vice-Chair),

The meeting was called to order at 12:02 pm

WELCOME/INTRODUCTIONS

WDB Operations Committee did not have a quorum. No motions taken

APPROVAL OF THE CONSENT AGENDA:

JPB Motion: Johnson made the motion to approve the consent agenda with the amended meeting agenda. Seconded by: Hallan. Roll Call taken - Motion carried.

2024-2025 ANNUAL FISCAL AUDIT PRESENTATION

Michelle Primus, Partner, Creative Planning

- Feel free to contact members of the team for questions
- Line of credit a bit higher and advances are quite a bit less
- Positive net assets at the end of the year
- Grant revenue increased from previous year. Also more nonstate and federal grants
- Expenses are down due to reduction of leased space
- Training expenses are up
- Change from MIP to Sage – vastly improved information provided
- Audit results – page 23 financial statements
 - Unmodified clean opinion on financial statements. That is the best you can get
 - Audit does contain material weaknesses and significant deficiencies.
 - None resulted in material non compliance

- Internal controls contained material weaknesses and significant deficiencies. These were anticipated because of the carry over of issues from last year
- Unmodified opinion – last year this was qualified so this is an improvement
- Low Risk Auditee is a two year look back so will not be Low Risk Auditee next year.
- Financial Statement Findings
 - Internal Controls Over Adjusting Journal Entries. Will be improved with new software.
 - Material Audit Adjustments. More of a timing thing. Nothing to do with missing dollars. Timing on when revenue hits your financial statements. Should be resolved for next year
 - Incomplete Schedule of Expenditures of Federal Awards. Should naturally go away
 - Inadequate Approval Controls over Adjusting Journal Entries and Invoices. Some approvals were missing. With new system the approvals are required to move it forward.
 - Documentation of Allocations for Certain Costs. Carryover from last year some additional ones remaining. Again, this should be improved with new system.
 - Lack of Proper Updating and Review of Agency Administration Allocations.
 - Submission of the Audit Reporting Package and Data Collection form. Due to timing with the last audit ending so late. Next year's is already scheduled so should get back on time.
- Required Communications review
- No significant difficulties encountered during the audit.
- No Disagreements with management
- Modification of Auditors Report from last year net asset number.
- Statement of Financial Position
 - Total Assets \$2,409 K down from last year
 - Total Liabilities \$2,353K
 - Total Net Assets \$56K
- Statement of Activities
 - Total Revenue \$6,758K
 - Total Expenses \$6,630K
 - Change in Net Assets – Increase of \$128K
- Reviewed recommendations
- IRS Form 990
 - Completed with audited numbers
- Not-for-Profit Industry Trends
 - AI Policy in place – requested to research predictive gambling policy

JPB Motion: Duff made the motion to approve the 2024-2025 Annual Fiscal Audit as Presented to include Form 990. Seconded by: Hallan. Roll Call taken - Motion carried.

ADJOURNMENT

JPB Motion: Johnson made the motion to adjourn the JPB Meeting at 12:45 pm

WDB Secretary Signature

JPB Secretary Signature

CMJTS, INC. OPERATIONS COMMITTEE MEETING MINUTES

May 8, 2026

Hybrid

MEMBERS PRESENT: Rob Stark (WDB Chair), Commissioner Jeanne Holland (JPB Chair), Rebecca Nelson, (WDB Vice Chair), Lisa Zwart, (WDB Treasurer), Lori Vrolson (WDB Secretary), Commissioner Duane Anderson (JPB Secretary), Janelle Sowers,

ABSENT: Commissioner Dan Whitcomb (JPB Vice Chair), Mark Netzing,

STAFF: Dina Wuornos, Joe Sharpe, Jake Humphrey, Michelle Johnson, Kristin Yeager, Diana Ristamaki

The meeting was called to order at 8:01 am.

APPROVAL OF THE CONSENT AGENDA

Motion: Holland motion to approve the consent agenda. Seconded by: Zwart. Roll Call taken. Motion carried.

FINANCIAL REPORTS AND BANK RECONCILIATIONS – Humphrey

- Occupancy is down a bit due to downsizing
- New Adult Grants
- MN Retain grant quick turnaround grant
- Will be able to add more details next month

Motion: Holland made the motion to accept CMJTS Financial Reports as presented. Seconded by: Anderson. Roll Call taken - Motion carried

OLD BUSINESS

Benefits Renewal Finalized Premiums - Yeager

- Medical premiums were reduced by 10%. Plans stay the same through BCBS
- Continuing with Nice Healthcare
- Dental renewal increased at 7%
- All rest of premiums and plans stay consistent

Motion: Vrolson made the motion to approve the 2026-27 CMJTS benefits renewal as presented. Seconded by: Zwart. Roll Call taken - Motion carried

By-Laws Amendment - Wuornos

- Need to amend the bylaws that were just approved
- Section about membership terms in bylaws clearly identify that 2-year term
- Officer elections section needs to be clarified to clearly show that officer elections are for a two year term.

Motion: Zwart made the motion to approve By-Laws Amendment. Seconded by: Holland. Roll Call taken - Motion carried

NEW BUSINESS

Line of Credit Renewal - Wuornos

- Because of cash advance open issue, CMJTS needed to request increase in line of credit
- Able to increase line of credit to \$200,000 to \$500,000
- Should be able to cover a few weeks of expenses as we wait for reimbursement from DEED
- Researched options through Propel Financial Services but they would have been more expensive than current bank
- Bank charges 75 points over prime and \$1000 origination fee
- DEED will not let CMJTS charge the origination fee or the interest rate towards program
- Vrolson stated there is a statute that If the state does not pay within their 30 days, then you can collect interest from the grant funds. She will send the information.

Motion: Vrolson Motion to accept the grants as presented Seconded by Holland, Roll Call taken; Motion Carried

Grants for Approval - Wuornos

- P2P On-ramp Grant Modification. Increased grant from \$200,000 to \$250,000 for a two-year period
 - Serves lower skilled, higher barrier or moving into sustainable employment for the first time.
 - Increases the number of individuals we will serve by 10.
- Community Crime Intervention Program (CCIP). Grant for \$150,000
 - New Grant
 - Focused on juvenile justice involved youth
 - Working closely with Wright County and their AIM group
 - Work with Legacy
 - Effective 5/1/26 – 12/2027

Motion: Holland Motion to accept the grants as presented Seconded by Anderson, Roll Call taken; Motion Carried

Resignations

- Dr. Craig Johnson
 - Final month in May
 - Retirement
 - Worked with him to have Gary Foster, Interim Director for customized training department replace his board position.
- Tim Truebenbach
 - Effective May
 - Bob Dockendorf, Big Lake Principle will replace his board position.

Motion: Zwart Motion to accept the resignations as presented Seconded by Holland, Roll Call taken; Motion Carried

Cash Advance Application Request update

- 4/29 sent an additional communication to Marc Majors requesting a response
- Marc's response was that they are reviewing the information and intend to respond asap
- Give to the end of May and then schedule an in-person meeting

- Della is working to schedule a business visit with Varilek in our area. May be a good opportunity to visit

Monitoring Reports

- PY25 WIOA and State DW
- PY25 WIOA Adult
 - No findings
 - Areas of concern were noted and CMJTS continues to work to address
 - Promising practices are included and note that fiscal policies are improved and much tighter
 - Very positive review
 - Very positive review

Donations and Fundraising updates

- Milaca “Meet and greet” at Milaca Meats

MANAGER REPORTS

Sharpe

- New adult staff member help with continuing resolution
- Numbers – July through April had more than 250 brand new enrollments and served more than 470 people this year
- Will need to submit new RFP for our SNAP 50/50 grant by June 5th. Plan to do that. Snap 50/50 has continued to be successful. And has received about \$75,000 back in funds. Snap caseloads continue to grow.

Ristamaki

- In the thick of camps
- Doing well with trades camps
- Healthcare struggling in central partners are over stretched.
- Additional opportunities for camps are being discussed
- ETM grant – Assistant secretary of ODEP did a visit. 3 of youth attended the visit. Her chief of staff has been reaching out to CMJTS on those successes.

Johnson

- Chisago county is on strike HHS and other county staff

Yeager

- Chaffee claim with MNDR still open. State does not have a deadline to respond

ADJOURNMENT

Motion: Holland Motion to Adjourn Meeting Seconded by xx. Meeting adjourned at 8:51 am.

Signature of WDB Secretary



CENTRAL MINNESOTA
Jobs & Training Services

Financial Statements

June 30, 2025

Central Minnesota Jobs and Training Services Table of Contents

Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8
Supplementary Information	
Schedule of Expenditures of Federal Awards	16
Notes to Schedule of Expenditures of Federal Awards	17
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>	18
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	20
Schedule of Findings and Questioned Costs	23



Independent Auditor's Report

Board of Directors
Central Minnesota Jobs and Training Services
Monticello, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Central Minnesota Jobs and Training Services, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Central Minnesota Jobs and Training Services as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Minnesota Jobs and Training Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

As discussed in Note 8 to the financial statements, the financial statements have been restated to correct misstatements. Our opinion is not modified with respect to this matter.

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 Central Minnesota Jobs and Training Services' ability to continue as a going concern for one year after the date that the financial statements were available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 auditors' report that includes our opinion. 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

- 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 Central Minnesota Jobs and Training Services' 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Minnesota Jobs and Training Services' ability to continue as a going concern for a reasonable period of time.

We are 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 we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 8, 2026, on our consideration of Central Minnesota Jobs and Training Services' internal control over financial reporting and on our 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 our 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 Central Minnesota Jobs and Training Services' 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 Central Minnesota Jobs and Training Services' internal control over financial reporting and compliance.

BerganKDV, Ltd.

St. Cloud, Minnesota
May 8, 2026

Central Minnesota Jobs and Training Services
Statement of Financial Position
As of June 30, 2025

Assets

Current assets

Cash	\$ 5,897
Grants receivable	736,456
Prepaid insurance	81,541
Other prepaid expenses and deposits	15,922
Total current assets	839,816

Property and equipment, net	6,230
Right of use assets - operating leases	1,557,666
Right of use asset - finance lease	5,724
	839,816

Total assets	\$ 2,409,436
--------------	--------------

Liabilities and Net Assets

Current liabilities

Line of credit	\$ 89,600
Accounts payable	294,608
Checks issued in excess of bank balance	31,469
Accrued expenses	357,095
Current portion of operating lease liabilities	278,252
Current portion of finance lease liability	5,978
Refundable advances	2,968
Total current liabilities	1,059,970

Operating lease liabilities	1,292,973
Total liabilities	2,352,943

Net assets

Without donor restrictions	51,773
With donor restrictions - youth programming	4,720
Total net assets	56,493

Total liabilities and net assets	\$ 2,409,436
----------------------------------	--------------

Central Minnesota Jobs and Training Services
Statement of Activities
Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue			
Grants	\$ 6,660,269	\$ -	\$ 6,660,269
Contributions	14,613	21,335	35,948
Other income	62,356	-	62,356
Net assets released from restrictions	26,329	(26,329)	-
Total public support and revenues	<u>6,763,567</u>	<u>(4,994)</u>	<u>6,758,573</u>
Expenses			
Program services	5,783,044	-	5,783,044
Management and general	847,123	-	847,123
Total expenses	<u>6,630,167</u>	<u>-</u>	<u>6,630,167</u>
Change in net assets	<u>133,400</u>	<u>(4,994)</u>	<u>128,406</u>
Net Assets (Deficit)			
Beginning of year, as previously stated	(230,270)	9,714	(220,556)
Prior period adjustment	148,643	-	148,643
Beginning of year, restated	<u>(81,627)</u>	<u>9,714</u>	<u>(71,913)</u>
End of year	<u>\$ 51,773</u>	<u>\$ 4,720</u>	<u>\$ 56,493</u>

Central Minnesota Jobs and Training Services
Statement of Functional Expenses
Year Ended June 30, 2025

	Adult	Public Assistance	Youth	Total Program Services	Management and General	Total
Salaries and wages	\$ 1,234,433	\$ 750,249	\$ 733,043	\$ 2,717,725	\$ 298,046	\$ 3,015,771
Benefits paid to or for members	999,443	73,665	249,934	1,323,042	2,123	1,325,165
Compensation for officers, directors, trustees	2,511	-	1,327	3,838	1,062	4,900
Other employee benefits	319,790	212,844	154,762	687,396	120,668	808,064
Payroll taxes	86,570	52,213	59,355	198,138	18,879	217,017
Fees for service	6,642	3,547	50,871	61,060	174,627	235,687
Subscriptions and memberships	79,033	24,589	44,006	147,628	100,944	248,572
Advertising and promotion	2,835	1,173	2,052	6,060	1,748	7,808
Office expenses	66,435	15,785	19,418	101,638	31,507	133,145
Occupancy	249,107	26,794	19,784	295,685	57,484	353,169
Travel	22,522	10,207	36,595	69,324	4,777	74,101
Conferences, conventions, and meetings	600	-	68	668	9,057	9,725
Payments to affiliates	95,010	-	-	95,010	-	95,010
Insurance	14,846	7,070	5,045	26,961	5,098	32,059
Interest	-	-	-	-	5,972	5,972
Other expenses	21,091	1,158	20,390	42,639	15,131	57,770
Depreciation	-	-	6,232	6,232	-	6,232
Total expenses	\$ 3,200,868	\$ 1,179,294	\$ 1,402,882	\$ 5,783,044	\$ 847,123	\$ 6,630,167

See notes to financial statements.

Central Minnesota Jobs and Training Services
Statement of Cash Flows
Year Ended June 30, 2025

Cash Flows - Operating Activities

Change in net assets	\$ 128,406
Adjustments to reconcile change in net assets to net cash flows - operating activities	
Depreciation	6,232
Amortization of right of use assets - operating leases	285,785
Amortization of right of use asset - finance lease	34,347
Change in operating assets and liabilities	
Grants receivable	44,931
Prepaid insurance, expenses and deposits	(62,435)
Accounts payable	188,876
Accrued expenses	22,612
Operating lease liabilities	(268,352)
Refundable advances	(362,110)
Net cash flows - operating activities	18,292

Cash Flows - Financing Activities

Checks issued in excess of bank balance	(46,928)
Line of credit advances	564,900
Line of credit payments	(500,378)
Principal payments on finance lease	(35,282)
Net cash flows - financing activities	(17,688)

Net change in cash	604
--------------------	-----

Cash

Beginning of Year	5,293
End of Year	\$ 5,897

Supplemental Disclosure of Cash Flow Information

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash outflows from finance lease	\$ 713
Financing cash outflows from finance lease	35,198
Operating cash outflows from operating leases	331,406

Supplemental Schedule of Noncash Investing and Financing Activities

ROU assets obtained in exchange for operating lease liabilities	\$ 128,933
---	------------

See notes to financial statements.

Central Minnesota Jobs and Training Services Notes to Financial Statements

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Central Minnesota Jobs and Training Services (the Organization) is a nonprofit corporation which serves as one of 16 Minnesota Workforce Service Areas (WSA) within the meaning of the Workforce Investment Act of 1998.

The Workforce Innovation and Opportunity Act (WIOA) provides funds to states to establish programs to prepare youth, adults, and dislocated workers for entry or reentry into the labor force. WIOA provides employers, job seekers, and universal (non-eligibility based) customers with access to labor market information. It also provides training, job counseling and exploration, skill assessment and supportive services to targeted individuals who have barriers to employment.

The 21-member Workforce Investment Board is represented by private industry, education, organized labor, economic development, public employment, rehabilitation services, public assistance, and community-based organizations of the 11-county area encompassing Chisago, Isanti, Kanabec, Kandiyohi, McLeod, Meeker, Mille Lacs, Pine, Renville, Sherburne, and Wright counties of Minnesota. The Organization provides policy guidance for and oversight with respect to activities under the service plan developed for its WSA in cooperation with elected officials as directed by WIOA.

Major programs include:

Adult

Services are tailored to the unique needs of the individual and include assessment of current skills and interests, help in determining choices in career options, access to earn while they learn training opportunities, and tuition assistance for career navigator-approved classroom training that supports the career goal.

Public Assistance

The Organization offers employment services to individuals eligible for county assistance through Diversionary Work Program (DWP), Minnesota Family Investment Program (MIFP), and Supplemental Nutrition Assistance Program (SNAP) Employment and Training. Participants are referred to the Organization by their county of residence. Professional staff deliver comprehensive, work-focused services designed to foster job skill development, work experience, and successful employment. The Organization provides a range of supports to help participants enter the workforce and enjoy its benefits.

Youth

Through career counseling, job training, work-based learning opportunities, and strong business relationships, the Organization prepares young adults for career pathways and the world of work leading to meaningful employment. Through an individualized, youth-centered approach, the Organization helps participants overcome barriers to employment and address economic disparities. By fostering personal growth, skill development, and workplace readiness, the program empowers young adults to achieve long-term self-sufficiency and career success.

**Central Minnesota Jobs and Training Services
Notes to Financial Statements**

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Grants Receivable

Grants receivable are due primarily from the federal, state, and local governments and other nonprofit organizations and arise primarily from the Organization's grants and contracts with those agencies to administer various programs. The Organization estimates there were no uncollectible amounts as of June 30, 2025.

Concentrations

The Organization had significant programs that accounted for the following percentages of total revenue for the year ended June 30, 2025:

<u>Name of Program</u>	<u>Percent of Total Revenue</u>
State Dislocated Worker	26.41%
WIOA Cluster	21.78%
MFIP/DWP	19.76%

Property and Equipment

Property and equipment are carried at cost, or fair value if donated, with depreciation computed under the straight-line method over the economic useful lives of the assets. The Organization follows the policy of capitalizing property and equipment that has a unit cost equal to or greater than \$3,000 and with an estimated useful life of greater than one year. Leasehold improvements are amortized over the lesser of the lease term or estimated useful life.

The property and equipment acquired is owned by the Organization while it is used in the program for which it was purchased or in other future authorized programs. However, certain funding sources have a reversionary interest in the property and equipment purchased with grant funds; their disposition, as well as the ownership of any proceeds and the assets are subject to the regulations of the funding source.

Long-Lived Assets

The Organization records impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. There were no impairment losses for the year ended June 30, 2025.

Central Minnesota Jobs and Training Services
Notes to Financial Statements

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization recognizes a right-of-use (ROU) asset and lease liability for each operating and finance lease with a term greater than 12 months at the time of lease inception. The Organization does not record a ROU asset or lease liability for leases with an initial term of 12 months or less but continues to record rent expense on a straight-line basis over the lease term. Options to extend or terminate at the sole discretion of the Organization are included in the determination of lease term when they are reasonably certain to be exercised. The lease liability represents the present value of future lease payments over the lease term. The Organization has elected the practical expedients (1) to discount the lease liability using the risk-free rate for all classes of assets, (2) to use hindsight for assessing the lease term and impairment of the ROU asset, and (3) to not separate lease and non-lease components for all classes of assets.

Refundable Advances

Grant funds or contributions received prior to incurring certain expenditures or meeting certain barriers are recorded as refundable advances. Revenue is subsequently recognized as grant expenses are incurred over time.

Net Assets

Net assets, public support and revenue are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor or grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue Recognition

Contributions and grants are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of an irrevocable beneficial interest is received. Contributions and grants with substantial conditions are not recognized until the conditions on which they depend are met. The federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, as of June 30, 2025, conditional contribution and grant awards of \$2,907,657, for which no amounts have been received in advance, have not been recognized in the accompanying financial statements.

**Central Minnesota Jobs and Training Services
Notes to Financial Statements**

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subleases

Sublease income is recognized as rental revenue as payments become due. Amounts received in advance are recorded as deferred revenue until earned. Sublease income is recognized on a straight-line basis over the lease term. The Organization has elected the practical expedient to not separate lease and non-lease components within its contracts.

Functional Allocation of Expenses

The costs of providing the Organization's various programs have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization charges costs to programs based on the benefit received by each program. This determination is made based on costs incurred by each program based on program costs versus total costs.

Tax Status

The Organization is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Code.

Subsequent Events

The Organization has evaluated subsequent events through May 8, 2026, the date which the financial statements were available to be issued.

NOTE 2 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of June 30, 2025:

	<u>2025</u>
Cash	\$ 5,897
Grants receivable	<u>736,456</u>
Total financial assets	742,353
Less net assets with donor restrictions	<u>4,720</u>
Total financial assets available for general expenditure	<u><u>\$ 737,633</u></u>

As part of the Organization's liquidity management plan, the Organization strives to maintain liquid financial assets sufficient to cover 60 days of general expenditures. The Organization has a practice of operating within a prudent range of financial soundness and stability, maintaining an adequate line of credit to ensure obligations are met if payments from grantees are delayed through no fault of the Organization and maintaining sufficient reserves to provide reasonable assurance that long-term commitments and obligations will continue to be met.

Central Minnesota Jobs and Training Services
Notes to Financial Statements

NOTE 2 - LIQUIDITY AND AVAILABILITY (CONTINUED)

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget, which is approved by the Organization's board of directors, and anticipates collecting sufficient revenue to cover general expenditures.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2025:

Equipment	\$	489,906
Leasehold improvements		232,256
		722,162
Less accumulated depreciation		715,932
		715,932
Property and equipment, net	\$	6,230

NOTE 4 - LINE OF CREDIT

The Organization had a bank line of credit available for short-term cash flow needs up to \$200,000. Interest accrued on the outstanding balance at 12% as of June 30, 2025. The line of credit was secured by the assets of the Organization.

In April 2026, the Organization replaced the line of credit with a new line of credit for up to \$500,000 through April 2028. Interest accrues on the outstanding balance at 0.75% over the prime rate. The line of credit is secured by the assets of the Organization.

NOTE 5 - LEASES

The Organization has lease agreements for equipment and office facilities for various terms under long-term, noncancelable lease agreements. The leases provide for renewal options ranging from 12 months to five years. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases.

Lease costs for the year ended June 30, 2025 were as follows:

Finance lease cost	\$	34,976
Operating lease costs		315,640
		315,640
Total lease costs	\$	350,616

**Central Minnesota Jobs and Training Services
Notes to Financial Statements**

NOTE 5 - LEASES (CONTINUED)

Weighted- average remaining lease terms and discount rates were as follows as of June 30, 2025:

Weighted-average remaining lease term - finance lease	2 months
Weighted-average discounted rate - finance lease	2.84%
Weighted-average remaining lease term - operating lease	69 months
Weighted-average discounted rate - operating leases	3.80%

Future minimum lease payments under non-cancellable leases are as follows as of June 30, 2025:

	Finance	Operating
2026	\$ 5,985	\$ 330,651
2027	-	300,703
2028	-	306,904
2029	-	306,865
2030	-	313,590
Thereafter	-	202,724
Total lease payments	5,985	1,761,437
Less amounts representing interest	7	190,212
Present value of lease liabilities	\$ 5,978	\$ 1,571,225

The Organization subleases a portion of its office space. One sublease agreement expires in September 2030 and others are on a month-to-month basis. The following is a maturity analysis of the undiscounted cash flows to be received from subleases as of June 30, 2025:

2026	\$ 31,384
2027	34,652
2028	32,988
2029	36,487
Total	\$ 135,511

NOTE 6 - RETIREMENT PLAN

The Organization offers a 403(b) retirement plan (the Plan) to its employees. The Plan covers all regular (non-temporary) employees. Under the Plan, the employer contribution equals 6% of eligible compensation. Employer contributions made for the year ended June 30, 2025 were \$174,420.

Central Minnesota Jobs and Training Services Notes to Financial Statements

NOTE 7 - CONTINGENCES

Financial awards from federal and state governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. In the opinion of the Organization, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

NOTE 8 - PRIOR PERIOD ADJUSTMENT

During the current year, the Organization identified errors related to the recognition of certain grants receivable and refundable advances in prior periods. As a result, a prior period adjustment was recorded to correct these misstatements. Beginning net assets were increased by \$148,643 to recognize previously unrecorded grants receivable totaling \$433,716 and refundable advances totaling \$285,073. Management has evaluated the impact of this adjustment and determined that it appropriately reflects the financial position of the Organization as of the beginning of the year.

NOTE 9 - MANAGEMENT'S PLAN

As shown in the accompanying financial statements, the Organization reported a deficit in net assets as of the beginning of the year.

The Organization continues to assess and diversify its revenue streams, identify cost saving measures to reduce expenses and preserve cash and is working with DEED for a working capital advance.

Management has evaluated the Organization's ability to meet its obligations as they become due for the twelve months following the date the financial statements were available to be issued. Based on the results of management's plans implemented to date and ongoing actions, management believes the Organization will be able to meet its obligations for at least one year from the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**Central Minnesota Jobs and Training Services
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

Federal Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Pass-Through Entity	Total Federal Expenditures
U.S. Department of Agriculture				
SNAP Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	N/A	Various Counties	\$ 47,887
Total U.S. Department of Agriculture and SNAP Cluster				<u>47,887</u>
U.S. Department of Labor				
WIOA Cluster				
WIOA Adult Program	17.258	3053100, 4053100, 2053101	MN DEED	554,504
WIOA Youth Activities	17.259	3053600, 4053600	MN DEED	467,944
WIOA Dislocated Worker Formula Grants	17.278	3058000, 4058000	MN DEED	428,713
Regional Plan Implementation Funding	17.258	3075301	MN Area Workforce Boards	7,015
Regional Plan Implementation Funding	17.278	3075301	MN Area Workforce Boards	7,015
Regional Plan Implementation Funding	17.259	3075301	MN Area Workforce Boards	7,014
Total WIOA Cluster				<u>1,472,205</u>
Registered Apprenticeship	17.285	264044	MN DEED	4,814
Disability Employment Policy Development	17.720	4056700	MN DEED	317,300
Total U.S. Department of Labor				<u>1,794,319</u>
U.S. Department of Health and Human Services				
Temporary Assistance for Needy Families (TANF) - Youth Project	93.558	4057400, 5057400	MN DEED	5,911
Temporary Assistance for Needy Families (TANF) - MFIP	93.558	N/A	Various Counties	1,009,815
Total U.S. Department of Health and Human Services and ALN 93.558				<u>1,015,726</u>
Total federal expenditures				<u>\$ 2,857,932</u>

Central Minnesota Jobs and Training Services
Notes to Schedule of Expenditures of Federal Awards

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Central Minnesota Jobs and Training Services under programs of the federal government for the year ended June 30, 2025. 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). Because the Schedule presents only a selected portion of the operations of Central Minnesota Jobs and Training Services, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Central Minnesota Jobs and Training Services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting which conform to accounting principles generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

Central Minnesota Jobs and Training Services has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance. For awards issued after October 1, 2024, Central Minnesota Jobs and Training Services has elected not to use the 15% de minimis rate allowed.

NOTE 4 - PASS-THROUGH ENTITY IDENTIFICATION NUMBERS

Some of the programs, grants and/or awards included in the Schedule are missing the pass-through entity identification numbers. The missing numbers are due to the pass-through entities not providing the pass-through entity identification numbers.



**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on and Audit
of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Board of Directors
Central Minnesota Jobs and Training Services
Monticello, Minnesota

We 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 Central Minnesota Jobs and Training Services, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 8, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Central Minnesota Jobs and Training Services' 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 our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Minnesota Jobs and Training Services' internal control. Accordingly, we do not express an opinion on the effectiveness of Central Minnesota Jobs and Training Services' internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-003 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Minnesota Jobs and Training Services' financial statements are free from material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2025-007.

Central Minnesota Jobs and Training Services' Response to Findings

Central Minnesota Jobs and Training Services' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Central Minnesota Jobs and Training Services' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our 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.

BerganKDV, Ltd.

St. Cloud, Minnesota
May 8, 2026



Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors
Central Minnesota Jobs and Training Services
Monticello, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Central Minnesota Jobs and Training Services' 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 Central Minnesota Jobs and Training Services' major federal programs for the year ended June 30, 2025. Central Minnesota Jobs and Training Services' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Central Minnesota Jobs and Training Services complied, in all material respects, with the 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, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Central Minnesota Jobs and Training Services and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on compliance for each major federal program. Our audit does not provide a legal determination of Central Minnesota Jobs and Training Services' 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 Central Minnesota Jobs and Training Services' federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our 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 Central Minnesota Jobs and Training Services' compliance based on our 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 GAAS, *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 Central Minnesota Jobs and Training Services' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- 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 Central Minnesota Jobs and Training Services' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Central Minnesota Jobs and Training Services' 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 Central Minnesota Jobs and Training Services' internal control over compliance. Accordingly, no such opinion is expressed

We are 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 we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance, and which is described in the accompanying schedule of findings and questioned costs as item 2025-007. Our opinion on each major federal program is not modified with respect to this matter.

Report on Internal Control Over Compliance

Our 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-004 and 2025-007 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-005 and 2025-006 to be significant deficiencies.

Our 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.

Government Auditing Standards requires the auditor to perform limited procedures on Central Minnesota Jobs and Training Services' responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Central Minnesota Jobs and Training Services' responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our 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.

BerganKDV, Ltd.

St. Cloud, Minnesota
May 8, 2026

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes
- Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes
- Significant deficiency(ies) identified? Yes

Type of auditors' report issued on compliance for the major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes

Identification of Major Programs

Assistance Listing No. 93.558
Name of Federal Program or Cluster TANF

Assistance Listing No.(s) 17.258, 17.259, and 17.278
Name of Federal Program or Cluster WIOA Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low risk auditee? No

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2025-001: Internal Controls over Adjusting Journal Entries (Repeat of Finding 2024-02)

Criteria:

All journal entries should be reviewed and approved by a responsible individual who is not the preparer. In addition, access to journal entry postings should be limited to select personnel.

Condition:

The Organization does not follow the formal process in place for the review of journal entries and numerous individuals had the ability to post journal entries.

Cause:

The Organization did not enforce written policies and procedures for the preparation, review, and approval of journal entries.

Effect:

The lack of review over journal entries along with the number of individuals posting entries increases the risk of errors and misstatements in the financial statements. This could lead to inaccurate financial reporting.

Recommendation:

The Organization should ensure that journal entries are reviewed by someone other than the preparer. The number of individuals authorized to post journal entries should also be limited.

Responsible Officials Response:

CMJTS migrated to a new accounting software in February of 2025. In this new software, only two accountants can submit journal entries, and only the Finance Manager is able to approve journal entries.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2025-002: Material Audit Adjustments

Criteria:

Accounting principles generally accepted in the United States of America (U.S. GAAP) require that receivables, refundable advances, and revenue be recorded in the appropriate period and in accordance with the underlying grant agreements. Organizations are also expected to maintain effective internal controls over financial reporting to ensure transactions are recorded completely and accurately.

Condition:

During the audit, material adjustments were required related to the recognition of reimbursement-based grant revenue, grants receivable, and refundable advances. Specifically:

- A prior period adjustment was required to increase beginning net assets by \$148,643 to record previously unrecognized grants receivable of \$433,716 and refundable advances of \$285,073. This entry was subsequently reversed at the beginning of the current year.
- Additional current-year adjustments were recorded to recognize grants receivable of \$103,327, refundable advances of \$2,968, and related grant revenue of \$100,359.

Cause:

The Organization was not consistently recognizing revenue associated with reimbursement-based grants as eligible expenses were incurred. This resulted in the underreporting of grant revenue and related receivables, as well as misclassification of refundable advances.

Effect:

As a result of these control deficiencies, material misstatements existed in both prior period and current-year financial statements, requiring audit adjustments to properly present the Organization's financial position and results of operations.

Recommendation:

We recommend that management strengthen its accounting policies and internal controls over reimbursement-based grants by:

- Implementing procedures to track grant expenditures and recognize revenue as costs are incurred,
- Conducting timely reconciliations of grant receivables and deferred/refundable balances, and
- Providing training to accounting personnel on proper revenue recognition for conditional grants.

These improvements will help ensure compliance with U.S. GAAP and reduce the likelihood of material misstatements in future reporting period.

Responsible Officials Response:

CMJTS is updating its accounts receivable process to ensure revenue is recognized in the correct period. Periodic reconciliation will be completed at least annually to ensure accurate reporting. Internal procedures are being updated, and staff will be given additional training to ensure U.S. GAAP compliance.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2025-003: Incomplete Schedule of Expenditures of Federal Awards (SEFA)

Criteria:

Uniform Guidance (2 CFR 200.510(b)) requires the auditee to prepare a complete and accurate Schedule of Expenditures of Federal Awards (SEFA) that includes all federal awards expended during the fiscal year.

Condition:

During our audit procedures, we identified that certain federal expenditures were not included in the SEFA. As a result, the SEFA initially presented for audit was incomplete.

Cause:

The omission was due to insufficient review and reconciliation procedures over the accumulation and reporting of federal expenditures for SEFA purposes.

Effect:

An incomplete SEFA may result in:

- Misstatement of total federal expenditures,
- Potential misidentification of major programs,
- Increased risk that required federal programs are not properly subjected to audit testing

Recommendation:

We recommend that management implement procedures to ensure a complete and accurate SEFA, including:

- Reconciling federal expenditures to the general ledger,
- Identifying all federal funding sources, including pass-through awards,
- Performing a comprehensive supervisory review of the SEFA prior to submission

Responsible Officials Response:

CMJTS is updating its SEFA generation process to ensure that it is complete and accurate. Internal procedures are being updated and include a secondary review.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**Finding 2025-004: Inadequate Approval Controls Over Adjusting Journal Entries and Invoices
(Repeat of Finding 2024-006)**

Federal Agency: U.S. Department of Agriculture
Pass-Through Agency: MN DEED
Assistance Listing Number(s): 17.258, 17.278 and 17.259 (WIOA Cluster)

Federal Agency: U.S. Department of Health and Human Services
Pass-Through Agencies: MN DEED and various counties
Assistance Listing Number: 93.558 (TANF)

Compliance Requirement: Allowable Cost

Criteria:

The Organization's policy requires that adjusting journal entries be reviewed by someone other than the originator. Additionally, all invoices must be approved by authorized personnel prior to payment.

Condition:

Testing of disbursements revealed that several adjusting journal entries were posted without the required dual review. Invoice testing also identified payments processed without documented approval.

For the WIOA Cluster, 4 of 60 disbursements (totaling \$9,456) lacked proper approval, but were otherwise allowable costs.

For TANF, 7 of 60 disbursements tested (totaling \$1,760) lacked proper approval, but were otherwise allowable costs.

Cause:

There is a breakdown in enforcing workflow protocols within the accounting system and a lack of consistent supervisory review.

Effect:

Weak approval controls increase the risk of errors, unauthorized transactions, and non-compliance with audit and grantor requirements, potentially jeopardizing funding eligibility.

Questioned Costs:

None

Recommendation:

We recommend following documented controls to enforce proper approval for adjusting journal entries. We also recommend ensuring invoice processing workflows include mandatory approvals before payment. We further recommend conducting periodic internal reviews to verify compliance with approval policies.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

**Finding 2025-004: Inadequate Approval Controls Over Adjusting Journal Entries and Invoice
(Continued)**

Responsible Officials Response:

CMJTS migrated to a new accounting software in February of 2025. This software has systematic approval workflows built in to ensure approvals are done on journal entries before they are posted and invoices before they can be paid.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2025-005: Documentation of Allocations for Certain Costs (Repeat of Finding 2024-003)

Federal Agency: U.S. Department of Agriculture
Pass-Through Agency: MN DEED
Assistance Listing Number(s): 17.258, 17.278 and 17.259 (WIOA Cluster)

Federal Agency: U.S. Department of Health and Human Services
Pass-Through Agencies: MN DEED and various counties
Assistance Listing Number: 93.558 (TANF)

Compliance Requirement: Allowable Cost

Criteria:

In accordance with the Uniform Guidance, charges to federal awards must be supported by records that accurately reflect the work performed. These records must be maintained within a system of internal controls that provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

Condition:

For the fiscal year ending June 30, 2025, the Organization started implementing a process for retaining and documenting cost allocation methodologies for expenses charged to federal awards. However, this process was not consistently applied to all disbursements tested during the audit period.

For the WIOA Cluster 4 of the 60 disbursements tested (totaling \$148, all related to communication expenses) could not be traced back to support showing what the allocation percentages by grant should have been or how the allocation percentages were determined.

For the TANF 4 of the 60 disbursements tested (totaling \$2, all related to communication expenses) could not be traced back to support showing what the allocation percentages by grant should have been or how the allocation percentages were determined.

Cause:

While the Organization has developed a process for documenting and retaining allocation support, the process was not consistently followed in all instances.

Effect:

Failure to consistently retain and apply allocation documentation increases the risk that costs may be inaccurately allocated among federal programs, resulting in potential noncompliance with Uniform Guidance requirements. This could lead to questioned costs, disallowed expenditures, and the potential need to return funds to the federal government.

Questioned Costs:

None

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2025-005: Documentation of Allocations for Certain Costs (Continued)

Recommendation:

The Organization should reinforce its existing allocation documentation procedures by ensuring they are consistently applied to all disbursements charged to federal programs. Management should enhance oversight and monitoring controls to verify that required documentation is completed and retained for every applicable transaction.

Responsible Officials Response:

CMJTS has since worked with DEED to update our cost allocation policy, and DEED approved our new policy. In this policy, the CMJTS fiscal team will work with CMJTS program managers to update allocations for the upcoming month. Changes to allocations will be documented and saved for record retention. CMJTS also migrated to a new accounting system in February 2025 which makes it easier to track allocations and ensure required documentation is completed and retained.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2025-006: Lack of Proper Updating and Review of Agency Administration Allocations

Federal Agency: U.S. Department of Agriculture
Pass-Through Agency: MN DEED
Assistance Listing Number(s): 17.258, 17.278 and 17.259 (WIOA Cluster)

Federal Agency: U.S. Department of Health and Human Services
Pass-Through Agencies: MN DEED and various counties
Assistance Listing Number: 93.558 (TANF)

Compliance Requirement: Allowable Costs

Criteria:

Federal regulations require organizations to maintain records that clearly identify the source and use of funds for federally funded activities. This includes documentation supporting the allocation of costs to ensure they are reasonable, allowable, and allocable. Additionally, organizations must implement internal controls, including review procedures, to ensure the accuracy and compliance of financial allocations.

Condition:

For the fiscal year ended June 30, 2025, the Organization updated their agency administration allocation monthly. On February 5, 2025 an update should have been entered into the system, however, it was missed in error and the prior agency administration allocation was applied through June 2025.

For the WIOA Cluster 6 of the 60 disbursements tested (totaling \$234) were allocated using the January 2025 agency administration allocation without evidence that the agency allocation was updated or reviewed during the remaining of the fiscal year.

For TANF 6 of the 60 disbursements tested (totaling \$245) were allocated using the January 2025 agency administration allocation without evidence that the agency allocation was updated or reviewed during the remaining of the fiscal year.

Cause:

The issue was caused by a breakdown in internal controls over the timely updating and review of agency administrative allocations, resulting in the continued use of outdated allocation rates after January 2025.

Effect:

The use of outdated allocation rates may have resulted in costs being improperly allocated to federal programs, potentially leading to noncompliance with allowable cost requirements.

Questioned Costs:

None

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2025-006: Lack of Proper Updating and Review of Administration Allocations (Continued)

Recommendation:

The Organization should ensure agency administration allocation schedules are updated and reviewed monthly to reflect current operations. Management should document the review and approval of allocation updates to ensure they were properly made in the system.

Responsible Officials Response:

When migrating to the new accounting system, CMJTS did not originally have a process to ensure allocations were updated appropriately. We have since implemented a review process to ensure that all allocations are updated accurately and timely.

**Central Minnesota Jobs and Training Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2025-007: Submission of the Audit Reporting Package and Data Collection Form (Repeat of Finding 2024-007)

Federal Agency: Various
Assistance Listing Number: Multiple

Compliance Requirement: Reporting

Criteria:

Per 2 CFR §200.510(b), the auditee must prepare a Schedule of Expenditures Federal Awards (SEFA) for the period covered by the auditee's financial statements. Per §200.512(a), the SEFA must be submitted to the Federal Audit Clearinghouse (FAC) within the required deadline.

Condition:

The audit reporting package and data collection form for the year ended June 30, 2025, was not submitted to the FAC within the timeframe as required by the Uniform Guidance.

Cause:

The Organization did not timely submit the audit reporting package and data collection form due to delays in completing the FY25 audit. The delayed completion of the FY24 audit caused a cascading impact on the timing of the FY25 audit.

Effect:

To qualify as a low-risk auditee, 2 CFR section 200.520 requires the audit reporting package and data collection form to be submitted to the FAC by the due date for each of the previous two years. Late filing will result in noncompliance with timely submission of financial information to the grantor agencies.

Recommendation:

We recommend the Organization develop and monitor a formal audit timeline that accounts for the audit reporting package and data collection form submission deadlines to help ensure future filings are submitted in accordance with federal requirements.

Questioned Costs:

None

Responsible Official's Response:

CMJTS acknowledges the delay and has been making improvements to ensure that the Audit Reporting package and Data Collection Form are submitted timely and accurately. Accounting staff have been given additional training and internal procedures have been updated. Continued ongoing training and procedure updates will be done to ensure compliance.



National Single Audit Coordinator – Tammy Brown
DHHS/OIG/OAS/Single Audit Division
Richard Bolling Federal Building
601 East 12th St., Room 0429
Kansas City, MO 64106

Central Minnesota Jobs and Training Services respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit period: 7/1/24-6/30/25

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule

FINDINGS-FINANCIAL STATEMENT AUDIT

Finding 2025-001: Internal Controls over Adjusting Journal Entries

Recommendation: The Organization should ensure that journal entries are reviewed by someone other than the preparer. The number of individuals authorized to post journal entries should also be limited.

Action Taken: CMJTS migrated to a new accounting software in February of 2025. In this new software, only two accountants can submit journal entries, and only the finance manager is able to approve journal entries.

Finding 2025-002: Material Audit Adjustments

Recommendation: Management strengthen its accounting policies and internal controls over reimbursement-based grants by:

- Implementing procedures to track grant expenditures and recognize revenue as costs are incurred
- Conducting timely reconciliations of grant receivables and deferred/refundable balances, and
- Providing training to accounting personnel on proper revenue recognition for conditional grants.

These improvements will help ensure compliance with U.S. GAAP and reduce the likelihood of



material misstatements in future reporting period.

Action Taken: CMJTS is updating its accounts receivable process to ensure revenue is recognized in the correct period. Periodic reconciliation will be completed at least annually to ensure accurate reporting. Internal procedures are being updated, and staff will be given additional training to ensure U.S. GAAP compliance.

Finding 2025-003: Incomplete Schedule of Expenditures of Federal Awards (SEFA)

Recommendation: We recommend that management implement procedures to ensure a complete and accurate SEFA, including:

- Reconciling federal expenditures to the general ledger,
- Identifying all federal funding sources, including pass-through awards,
- Performing a comprehensive supervisory review of the SEFA prior to submission

Action Taken: CMJTS is updating its SEFA generation process to ensure that it is complete and accurate. Internal procedures are being updated and include a secondary review.

FINDINGS-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2025-004: Inadequate Approval Controls Over Adjusting Journal Entries and Invoices

Recommendation: We recommend following documented controls to enforce approval for adjusting journal entries. We also recommend ensuring invoice processing workflows include mandatory approvals before payment. We further recommend conducting periodic audits to verify compliance with approval policies.

Action Taken: CMJTS migrated to a new accounting software in February of 2025. This software has systematic approval workflows built in to ensure approvals are done on journal entries before they are posted and invoices before they can be paid.

Finding 2025-005: Documentation of Allocations for Certain Costs

Recommendation: The Organization should reinforce its existing allocation documentation procedures by ensuring they are consistently applied to all disbursements charged to federal programs. Management should enhance oversight and monitoring controls to verify that required documentation is completed and retained for every applicable transaction.

Action Taken: CMJTS has since worked with DEED to update our cost allocation policy, and DEED approved our new policy. In this policy, the CMJTS fiscal team will work with CMJTS program managers to update allocations for the upcoming month. Changes to allocations will be documented and saved for



record retention. CMJTS also migrated to a new accounting system in February 2025 which makes it easier to track allocations and ensure required documentation is completed and retained.

Finding 2025-006: Lack of Proper Updating and Reviewing of Agency Administration Allocations

Recommendation: The Organization should ensure agency administration allocation schedules are updated and reviewed monthly to reflect current operations. Management should document the review and approval of allocation updates properly made in the system.

Action Taken: When migrating to the new accounting system, CMJTS did not originally have a process to ensure allocations were updated appropriately. We have since implemented a review process to ensure that all allocations are updated accurately and timely.

Finding 2024-007: Submission of the Audit Reporting Package and Data Collection Form

Recommendation: We recommend the organization develop and monitor a formal audit timeline that accounts for the audit reporting package and data collection form submission deadlines to help ensure future filings are submitted in accordance with federal requirements.

Action Taken: CMJTS acknowledges the delay and has been making improvements to ensure that the Audit Reporting package and Data Collection Form are submitted timely and accurately. Accounting staff have been given additional training and internal procedures have been updated. Continued ongoing training and procedure updates will be done to ensure compliance.

If the National Single Audit Coordinator – Tammy Brown, DHHS/OIG/OAS/Single Audit Division has questions regarding this plan, please call Jake Humphrey at 612.504.2620 or Dina Wuornos at 763.220.2139.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dina Wuornos', with a long horizontal line extending to the right.

Dina Wuornos, Executive Director
Central Minnesota Jobs and Training Services, Inc.
406 E. 7th St., PO Box 720
Monticello, MN 55362
p: 763.220.2139 | f: 877.595.7228 | e: dwuornos@cmjts.org



Illustrated Summary Schedule of Prior Audit Findings

Central Minnesota Jobs and Training Services, Inc.

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2025

Finding 2024-001: Untimely and Inaccurate Reconciliations

Condition: During the initial phase of audit fieldwork, the Organization provided account reconciliations and a trial balance for testing. Upon performing substantive procedures, the audit team identified discrepancies and inconsistencies in the reconciliations, indicating they were not prepared in accordance with generally accepted accounting principles.

Recommendation: The Organization strengthen its internal controls over the reconciliation process, including implementing a formal review procedure and ensuring reconciliations are supported by complete and accurate documentation prior to audit fieldwork. Timely and accurate reconciliations are critical to maintaining reliable financial reporting and audit readiness.

Current Status: CMJTS has strengthened its reconciliation process, and this is not a repeat finding in 2025.

Finding 2024-002: Internal Controls over Adjusting Journal Entries

Condition: The Organization does not follow the formal process in place for the review of journal entries and numerous individuals had the ability to post journal entries.

Recommendation: The Organization should ensure that journal entries are reviewed by someone other than the preparer. The number of individuals authorized to post journal entries should also be limited.

Current Status: CMJTS migrated to a new accounting system in February of 2025. This system allows for segregation of duties and dual controls. This ensures that transactions are reviewed in the system, which ensures that transactions are GAAP compliant. Due to timing of implementation, a similar finding was noted in 2025-01 for transactions that occurred prior to implementation of the new accounting system.

Finding 2024-003: Documentation of Allocations for Costs

Condition: For the fiscal year ended June 30, 2024, the Organization did not maintain sufficient documentation to support the calculation of its cost allocation. Furthermore, no evidence was provided to demonstrate that a review of the cost allocation was performed to ensure its accuracy and compliance with applicable regulations. Specifically, the Organization was unable to produce detailed



records or worksheets showing how costs were allocated across programs and departments, and there was no documentation of a formal review process.

Recommendation: The Organization should adopt a comprehensive documentation retention policy that includes specific procedures for maintaining records related to cost allocations. This policy should ensure that all relevant documentation is retained for the required period and is readily accessible for audit purposes. Additionally, the Organization should enforce a formal review process to verify the accuracy and compliance of cost allocations. Staff responsible for financial record-keeping and compliance should receive training on documentation standards, review procedures, and the requirements of the Uniform Guidance.

Current Status: CMJTS has since worked with DEED to update our cost allocation policy. In this policy, the CMJTS fiscal team will work with CMJTS program managers to update allocations for the upcoming month. Changes to allocations will be documented and saved for record retention. CMJTS also migrated to a new accounting system in February 2025 which makes it easier to track allocations and ensure required documentation is completed and retained. Due to timing of implementation, a similar finding was noted in 2025-05.

Finding 2024-004: Documentation of Allocations for Salaries and Wage Costs

Condition: For the fiscal year ending June 30, 2024, the Organization did not maintain sufficient documentation to support how an individual's time was allocated across various federally funded grants.

Recommendation: The Organization should establish and implement a comprehensive documentation retention policy that includes clear procedures for maintaining records supporting the allocation of employee time. This policy should ensure that all relevant documentation—such as timesheets and work allocation records—is retained for the required period and readily accessible for audit purposes. Additionally, staff involved in timekeeping and financial reporting should receive training on documentation requirements under the Uniform Guidance.

Current Status: CMJTS has strengthened its document retention process, and this is not a repeat finding in 2025.

Finding 2024-005: Ineffective Grant Management

Condition: Grant budget-to-actual reviews are not being completed on a regular basis. As a result, discrepancies between actual expenditures and budgeted amounts are not identified timely.

For the WIOA Cluster 2 of the 7 reports tested required corrections and resubmission to funders.

Recommendation: Establish a standardized process for reviewing grant budgets against actual expenditures, with clearly defined roles and timelines. Deliver targeted training to relevant staff on grant



reporting protocols and variance analysis. Implement a cross-functional review procedure prior to report submission to ensure accuracy and completeness.

Current Status: CMJTS has strengthened its grant management process, and this is not a repeat finding in 2025.

Finding 2024-006: Inadequate Approval Controls Over Adjusting Journal Entries and Invoices

Condition: Testing of disbursements revealed that several adjusting journal entries were posted without the required dual review. Invoice testing also identified payments processed without documented approval. For the WIOA Cluster, 14 of 60 disbursements (totaling \$28,161) lacked proper approval. For TANF, 23 of 60 disbursements (totaling \$3,281) were missing required sign-offs.

Recommendation: We recommend following documented controls to enforce approval for adjusting journal entries. We also recommend ensuring invoice processing workflows include mandatory approvals before payment. We further recommend conducting periodic audits to verify compliance with approval policies.

Current Status: CMJTS migrated to a new accounting system in February of 2025. This system allows for segregation of duties and dual controls. This ensures that transactions are reviewed in the system, which ensures that transactions are GAAP compliant. Due to timing of implementation, a similar finding was noted in 2025-04 for transactions that occurred prior to implementation of the new accounting system.

Finding 2024-007: Submission of the Audit Reporting Package and Data Collection Form

Condition: The audit reporting package and data collection form for the year ended June 30, 2024, was not submitted to the FAC within the timeframe as required by the Uniform Guidance.

Recommendation: We recommend the organization strengthen its internal controls over the reconciliation process, including implementing a formal review procedure and ensuring reconciliations are supported by complete and accurate documentation prior to audit fieldwork. Timely and accurate reconciliations are critical to maintaining reliable financial reporting and audit readiness.

Current Status: CMJTS has been making improvements to ensure that the Audit Reporting package and Data Collection Form are submitted timely and accurately. Accounting staff have been given additional training and internal procedures have been updated. Continued ongoing training and procedure updates will be done to ensure compliance.



May 19, 2026

Dina Wournos
Central Minnesota Jobs and Training Services
406 E. 7th St.
Monticello, MN 55362

Dear Dina;

Kindly accept this letter as my formal resignation as a CMJTS board member. My last board meeting will be June 12, 2026.

I am grateful for the world this board has exposed me to and the friendships I have made during my service on the board. Unfortunately, due to some personal changes I do not have the time to dedicate to the CMJTS board work that it deserves.

Best wishes,

A handwritten signature in black ink that reads "Rebecca Nelson". The signature is written in a cursive style with some capital letters.

Rebecca Nelson

HR Manager
IRD Glass & IRD Ceramics
810 E. St. Paul St.
Litchfield, MN 55355
Main: (320) 693-7217
Direct: (320) 221-6419
rebecca@irdglass.com



Application for Nomination to the CMJTS Workforce Development Board

APPLICANT INFORMATION			
Last Name <i>Dockendorf</i>	First Name <i>Robert</i>	Date (mm/dd/yy) <i>3/20/20</i>	
Address <i>501 Minnesota Ave</i>			
City <i>Big Lake</i>	State <i>MN</i>	Zip Code <i>55309</i>	
Phone Number (include area code) <i>612-219-8756</i>	Cell Phone Number (include area code)		
Email Address <i>b.dockendorf@biglakeschools.org</i>			

BUSINESS/AGENCY INFORMATION			
Business/Agency Name <i>Big Lake Schools</i>			
Title/Position <i>H.S. Principal</i>			
Address <i>501 Minnesota Ave</i>			
City <i>Big Lake</i>	State <i>MN</i>	Zip Code <i>55309</i>	County <i>Shenburne</i>
Phone Number (include area code)	Cell Phone Number (include area code) <i>612-219-8756</i>		
Email Address			
Website			
Description of Business			
Total Number of Employees	Number of Employees You Directly Supervise <i>90</i>		
POLICY: Applicants must be individuals with "optimum policymaking or hiring authority within the business organization, agency, or entity.			
Please check one: <input type="checkbox"/> Owner <input type="checkbox"/> Chief Executive Officer <input type="checkbox"/> Senior Management			

OTHER			
Where do you prefer to receive mailed information?	<input type="checkbox"/> At work	<input checked="" type="checkbox"/> At home	<i>895 Brian Court Monticello MN 55362</i>
Which email address do you prefer to receive information?	<input checked="" type="checkbox"/> At work	<input type="checkbox"/> At home	<i>55362</i>
How do you prefer to be reached by phone?	<input type="checkbox"/> At work	<input type="checkbox"/> At home	<input checked="" type="checkbox"/> On my cell phone <i>612-219-8756</i>

CONSTITUENCY		
Directions: If you currently work in private business , complete sections A and C only. If you currently work in the public sector, a nonprofit, or labor union , complete sections B and C only.		
SECTION A: PRIVATE BUSINESS MEMBER APPLICANT (check one)		
<input type="checkbox"/> Small business (1-50 employees)	<input type="checkbox"/> Medium Business (51-100 employees)	<input checked="" type="checkbox"/> Large business (more than 101 employees)

SECTION B: PUBLIC SECTOR MEMBER APPLICANT (check one):		
<input type="checkbox"/> Economic development professional	<input type="checkbox"/> Community-based organization	<input type="checkbox"/> Organized labor
<input type="checkbox"/> Apprenticeship training administrator	<input type="checkbox"/> Post-secondary education	<input type="checkbox"/> Adult Basic Education
<input type="checkbox"/> Public assistance	<input type="checkbox"/> Vocational rehabilitation agency	<input type="checkbox"/> Public employment services

Education

SECTION C: COUNTY REPRESENTATION (check county your business or organization is in):

<input type="checkbox"/> Chisago	<input type="checkbox"/> Isanti	<input type="checkbox"/> Kanabec	<input type="checkbox"/> Kandiyohi	<input type="checkbox"/> McLeod	<input type="checkbox"/> Meeker
<input type="checkbox"/> Mille Lacs	<input type="checkbox"/> Pine	<input type="checkbox"/> Renville	<input checked="" type="checkbox"/> Sherburne	<input type="checkbox"/> Wright	

SECTION C: PERSONAL QUALIFICATIONS
Please check the characteristics that best describe your leadership skills.

<input checked="" type="checkbox"/> Character	<input type="checkbox"/> Generosity	<input type="checkbox"/> Security	<input checked="" type="checkbox"/> Charisma	<input checked="" type="checkbox"/> Initiative	<input checked="" type="checkbox"/> Self-Discipline	<input checked="" type="checkbox"/> Commitment
<input checked="" type="checkbox"/> Listening	<input type="checkbox"/> Servanthood	<input checked="" type="checkbox"/> Communication	<input checked="" type="checkbox"/> Passion	<input checked="" type="checkbox"/> Teachability	<input checked="" type="checkbox"/> Competence	<input checked="" type="checkbox"/> Positive Attitude
<input type="checkbox"/> Vision	<input checked="" type="checkbox"/> Courage	<input checked="" type="checkbox"/> Problem Solving	<input type="checkbox"/> Discernment	<input type="checkbox"/> Focus	<input checked="" type="checkbox"/> Responsibility	<input checked="" type="checkbox"/> Relationship building

LIST ANY INFORMATION YOU FEEL WOULD BE HELPFUL IN DETERMINING YOUR QUALIFICATIONS FOR THIS POSITION (education, work experience, training)

Masters degree - 28 yrs in leadership - Part Board Experience: - CMST5 - MASSP - United Way

AS A NEW BOARD MEMBER, WHAT WOULD YOU LIKE TO RECEIVE FROM YOUR BOARD EXPERIENCE WITH CENTAL MINNESOTA WORKFORCE DEVELOPMENT BOARD? (e.g., training, conferences, community planning, professional development, fundraising, networking, knowledge about the CareerForce Center System, etc.)

I would like to give back of my time to an organization that is worthwhile.

BOARD COMMITTEE INTERESTS (please check one)

- Community and Government Relations Committee**
 - Develops and fosters community and government relations while promoting the Workforce Development Boards (WDB) interests and policies.
 - Convenes community businesses, education, and economic development agencies, to work on workforce challenges and enlists their support in resolving local and regional issues and concerns (e.g. the annual legislative breakfast and the Workforce Development Summit).
- Workforce Development Committee**
 - Assists in the development of the WIOA local and regional unified plans and evaluates its implementation over the year.
 - Sets policy for the business services teams and determines high priority industry contacts.
 - Reviews industry clusters by region to determine high priority industry contacts.
 - Gathers data and brings in guest speakers for regional growth and development, tracks trends in Local Workforce Development Area 5 that affect workforce education and economic development.
 - Investigates possible ways the committee could assist small businesses/trades.
- Youth Committee**
 - Oversees the quality of youth services provided through WIOA Youth, Minnesota Youth Programs, Youthbuild, Youth with Disabilities, and other youth programs.
 - Assists in the development of a strategic plan for Youth Services.
 - Sets the vision for youth services in Workforce Service Area 5.

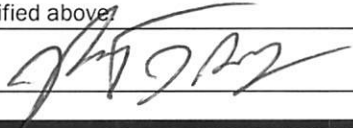
TRAINING

I'm willing to attend outside trainings and events (expenses paid through board budget), such as: Yes No

- Minnesota Workforce Council Association (MWCA) Summer Meeting in Duluth (August).
- National Association of Workforce Boards Forum in Washington, DC (March)
- Day at the Capitol in St. Paul (March/April)
- Other important trainings as recommended by the WDB

SIGNATURES

The individual being nominated and the authorized representative of the nominating agency must sign the application below. Nominees must represent the constituency identified above.

Applicant Signature

Date (mm/dd/yy)

3/20/26

NOMINATING AGENCY OR COMMUNITY REPRESENTATIVE

I nominate the above candidate for Central Minnesota Workforce Development Board membership.

Nominating Agency or Community Representative Signature

Date (mm/dd/yy)

Agency

Please mail or email the application to:

Diane Johnson, Administrative Assistant
Central Minnesota Jobs & Training Services, Inc.
PO Box 720
Monticello, MN 55362
Phone: 763-340-0743
Email: djohnson@cmjts.org

Upon request this material can be made available in an alternate format.



Application for Nomination to the CMJTS Workforce Development Board

APPLICANT INFORMATION			
Last Name Foster	First Name Gary	Date (mm/dd/yy) 05/04/26	
Address 1455 Calgary LN SE			
City Hutchinson	State MN	Zip Code 55350	
Phone Number (Include area code) (320) 234-8537	Cell Phone Number (include area code)		
Email Address gary.foster@ridgewater.edu			

BUSINESS/AGENCY INFORMATION			
Business/Agency Name Ridgewater College			
Title/Position Director (Interim), Customized Training and Continuing Education			
Address 980 2nd Ave SE			
City Hutchinson	State MN	Zip Code 55350	County McLeod
Phone Number (include area code) (320) 213-4853	Cell Phone Number (include area code)		
Email Address gary.foster@ridgewater.edu			
Website			
Description of Business Postsecondary Institution			
Total Number of Employees	Number of Employees You Directly Supervise 13		
POLICY: Applicants must be individuals with "optimum policymaking or hiring authority within the business organization, agency, or entity.			
Please check one: <input type="checkbox"/> Owner <input type="checkbox"/> Chief Executive Officer <input checked="" type="checkbox"/> Senior Management			

OTHER			
Where do you prefer to receive mailed information?	<input checked="" type="checkbox"/> At work	<input type="checkbox"/> At home	
Which email address do you prefer to receive information?	<input checked="" type="checkbox"/> At work	<input type="checkbox"/> At home	
How do you prefer to be reached by phone?	<input checked="" type="checkbox"/> At work	<input type="checkbox"/> At home	<input type="checkbox"/> On my cell phone

CONSTITUENCY		
Directions: If you currently work in private business , complete sections A and C only. If you currently work in the public sector, a nonprofit, or labor union , complete sections B and C only.		
SECTION A: PRIVATE BUSINESS MEMBER APPLICANT (check one)		
<input type="checkbox"/> Small business (1-50 employees)	<input type="checkbox"/> Medium Business (51-100 employees)	<input type="checkbox"/> Large business (more than 101 employees)

SECTION B: PUBLIC SECTOR MEMBER APPLICANT (check one):		
<input type="checkbox"/> Economic development professional	<input type="checkbox"/> Community-based organization	<input type="checkbox"/> Organized labor
<input type="checkbox"/> Apprenticeship training administrator	<input checked="" type="checkbox"/> Post-secondary education	<input type="checkbox"/> Adult Basic Education
<input type="checkbox"/> Public assistance	<input type="checkbox"/> Vocational rehabilitation agency	<input type="checkbox"/> Public employment services

SECTION C: COUNTY REPRESENTATION (check county your business or organization is in):

<input type="checkbox"/> Chisago	<input type="checkbox"/> Isanti	<input type="checkbox"/> Kanabec	<input type="checkbox"/> Kandiyohi	<input checked="" type="checkbox"/> McLeod	<input type="checkbox"/> Meeker
<input type="checkbox"/> Mille Lacs	<input type="checkbox"/> Pine	<input type="checkbox"/> Renville	<input type="checkbox"/> Sherburne	<input type="checkbox"/> Wright	

SECTION C: PERSONAL QUALIFICATIONS

Please check the characteristics that best describe your leadership skills.

<input checked="" type="checkbox"/> Character	<input type="checkbox"/> Generosity	<input type="checkbox"/> Security	<input type="checkbox"/> Charisma	<input checked="" type="checkbox"/> Initiative	<input checked="" type="checkbox"/> Self-Discipline	<input checked="" type="checkbox"/> Commitment
<input checked="" type="checkbox"/> Listening	<input checked="" type="checkbox"/> Servanthood	<input checked="" type="checkbox"/> Communication	<input checked="" type="checkbox"/> Passion	<input checked="" type="checkbox"/> Teachability	<input checked="" type="checkbox"/> Competence	<input checked="" type="checkbox"/> Positive Attitude
<input type="checkbox"/> Vision	<input type="checkbox"/> Courage	<input type="checkbox"/> Problem Solving	<input checked="" type="checkbox"/> Discernment	<input checked="" type="checkbox"/> Focus	<input checked="" type="checkbox"/> Responsibility	<input checked="" type="checkbox"/> Relationship building

LIST ANY INFORMATION YOU FEEL WOULD BE HELPFUL IN DETERMINING YOUR QUALIFICATIONS FOR THIS POSITION (education, work experience, training)

Master of Arts Human Recourse Management, 13 years w/ Customized Training at Ridgewater College, 30 years providing training instruction for Workforce Development, 30 years creating and maintaining Business Development Relationships.

AS A NEW BOARD MEMBER, WHAT WOULD YOU LIKE TO RECEIVE FROM YOUR BOARD EXPERIENCE WITH CENTAL MINNESOTA WORKFORCE DEVELOPMENT BOARD? (e.g., training, conferences, community planning, professional development, fundraising, networking, knowledge about the CareerForce Center System, etc.)

Networking, Knowledge about the Careerforce Center System, Workforce Development Partnerships

BOARD COMMITTEE INTERESTS (please check one)

Community and Government Relations Committee

- Develops and fosters community and government relations while promoting the Workforce Development Boards (WDB) interests and policies.
- Convenes community businesses, education, and economic development agencies, to work on workforce challenges and enlists their support in resolving local and regional issues and concerns (e.g. the annual legislative breakfast and the Workforce Development Summit).

Workforce Development Committee

- Assists in the development of the WIOA local and regional unified plans and evaluates its implementation over the year.
- Sets policy for the business services teams and determines high priority industry contacts.
 - Reviews industry clusters by region to determine high priority industry contacts.
 - Gathers data and brings in guest speakers for regional growth and development, tracks trends in Local Workforce Development Area 5 that affect workforce education and economic development.
 - Investigates possible ways the committee could assist small businesses/trades.

Youth Committee

- Oversees the quality of youth services provided through WIOA Youth, Minnesota Youth Programs, Youthbuild, Youth with Disabilities, and other youth programs.
- Assists in the development of a strategic plan for Youth Services.
- Sets the vision for youth services in Workforce Service Area 5.

TRAINING

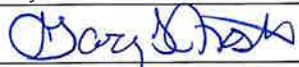
I'm willing to attend outside trainings and events (expenses paid through board budget), such as:

Yes No

- Minnesota Workforce Council Association (MWCA) Summer Meeting in Duluth (August).
- National Association of Workforce Boards Forum in Washington, DC (March)
- Day at the Capitol in St. Paul (March/April)
- Other important trainings as recommended by the WDB

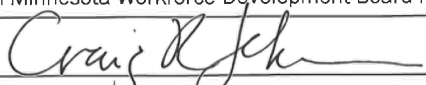
SIGNATURES

The individual being nominated and the authorized representative of the nominating agency must sign the application below. Nominees must represent the constituency identified above.

Applicant Signature		Date (mm/dd/yy) 05/04/26
----------------------------	---	-----------------------------

NOMINATING AGENCY OR COMMUNITY REPRESENTATIVE

I nominate the above candidate for Central Minnesota Workforce Development Board membership.

Nominating Agency or Community Representative Signature		Date (mm/dd/yy) 05.05.2026
Agency	Ridgewater College	

Please mail or email the application to:

Diane Johnson, Administrative Assistant
Central Minnesota Jobs & Training Services, Inc.
PO Box 720
Monticello, MN 55362
Phone: 763-340-0743
Email: djohnson@cmjts.org

Upon request this material can be made available in an alternate format.

Executive Director Performance Review Process

Objective:

To conduct a comprehensive, fair, and transparent annual performance evaluation of the Executive Director, incorporating input from the Workforce Development Board, Operations Committee, self-evaluation, and final oversight by board leadership.

Step 1: Planning & Timeline – September Meeting

- **Lead:** Operations Committee Chair
 - **Action:**
 - Review and establish process and timeline
 - Confirm participation of all committee members
 - Define evaluation criteria aligned with strategic goals and job description
-

Step 2: Executive Director Self-Evaluation - October Meeting

- **Lead:** Executive Director
 - **Action:**
 - Complete a written self-evaluation reflecting on goals, accomplishments, challenges, and areas for development over the past year
 - Operations Meeting will be closed and CMJTS staff and any guests will leave
 - Executive Director to Submit/present to Operations Committee for review
-

Step 3: Gather Feedback from Staff, Board Members – October - November

- **Lead:** HR Director
- **Action:**
 - Send Performance Review form to parties for feedback
 - Gather and summarize feedback
 - Submit to Operations Committee for review

Step 4: Committee Deliberation & Draft Evaluation - Virtual Meeting November

- **Lead:** Operations Committee Chair
- **Action:**
 - Convene a meeting of the Operations Committee to:
 - Discuss individual assessments
 - Feedback from the Workforce Development Board evaluations may be taken into consideration, but scoring should be completed solely by the operations committee members.
 - Identify common themes, strengths, and areas for improvement
 - Draft a summary performance review, including ratings and narrative feedback
 - Recommend compensation

Step 5: Prepare finalized review- November - December

- **Lead:** Workforce Development Board Chair
- **Action:**
 - Prepare finale copy of performance review

Step 6: Review & Approval by Board Leadership - December meeting

- **Lead:** Workforce Development Board Chair
 - **Action:**
 - Review the draft evaluation, participant feedback, and recommendations
 - Provide feedback and finalize the performance evaluation
 - Approve or modify compensation
-

Step 7: Performance Review Meeting with Executive Director – after December meeting

- **Lead:** Workforce Development Board Chair
 - **Action:**
 - Meet with Executive Director to present and discuss the final evaluation
 - Provide an opportunity for dialogue, goal setting for the next review period, and mutual expectations
 - Develop a follow-up plan for addressing areas of improvement or new goals
 - Obtain signatures
 - Return to HR Director for processing
-

Step 8: Documentation & Follow-Up (Post-Review)

- **Lead:** HR Director
 - **Action:**
 - File the signed performance evaluation securely
 - Set date for next year's review process
 - Bring to Operation Committee Meeting – in January – discussion about any recommended changes to this process.
-



Where Workforce Skills Meet Opportunity

Employee Name: Dina Wuornos

Title: Executive Director

Review Period: December 2024 – December 2025

Completed by (Board Member): [Click or tap here to enter text.](#)

Instructions for Board Members Performance Scoring Criteria

Please rate each category based on your observations during the review period. Use the clickable boxes below and provide comments/examples when possible.

Rating Scale:

- **5 – Outstanding** - Performance and quality of work far exceeds what is reasonably expected throughout the entire review period.
- **4 – Exceeds Expectations** - Performance consistently meets job requirements and occasionally exceeds expectations.
- **3 – Meets Expectations** - Meets Expectations - Performance meets job requirements and performance expectations of this position. Employee is proficient in job duties.
- **2 – Needs Improvement** - Performance is below expectations. Employee does not consistently meet requirements for work.
- **1 – Unsatisfactory** - Performance does not meet the requirements of the position. Immediate improvement must be seen.
- **NA – Not Applicable**- You have not observed performance in this area and cannot adequately score this section

HUMAN RESOURCES



Where Workforce Skills Meet Opportunity

Essential Function from Job Description

BOARD SUPPORT AND GOVERNANCE

Supports the Board in fulfilling governance responsibilities, provides timely/accurate information, and fosters a collaborative relationship.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

BOARD RECRUITMENT

Identifies membership needs and directs recruitment and orientation of WDB members.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

STRATEGIC PLANNING AND ORGANIZATIONAL DIRECTION

Leads and implements the strategic plan, sets measurable goals, and aligns activities with the mission and vision.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

COMMUNICATIONS AND PUBLIC RELATIONS

Represents the organization effectively to the public, partners, funders, and media; promotes a positive image; communicates clearly with stakeholders.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

PROGRAM DEVELOPMENT AND MANAGEMENT

Directs programming that fulfills the mission and meets workforce/community needs, ensures quality and innovation.

Please check only one box

Rating: 1 2: 3 4 5 NA



Where Workforce Skills Meet Opportunity

Comments:

Click or tap here to enter text.

GRANT AND PROJECT CREATING AND IMPLEMENTATION

Identifies and pursues funding opportunities, leads proposal development and aligns initiatives with workforce priorities. Oversees grant implementation, ensures compliance, and manages timely, accurate reporting to funders.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

FUNDRAISING AND RESOURCE DEVELOPMENT

Secures adequate funding through grants, donations, and partnerships; cultivates donor relationships; ensures fundraising strategies are effective.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

HUMAN RESOURCE MANAGEMENT

Ensures compliance with employment laws, promotes a positive, inclusive work environment, supports staff growth.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

STAFF SUPERVISION AND LEADERSHIP

Provides clear direction, sets expectations, evaluates staff, fosters teamwork, accountability, and professional development.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

BUDGET AND FINANCIAL MANAGEMENT

Please check only one box



Where Workforce Skills Meet Opportunity

Oversees budget preparation and financial reporting; ensures fiscal responsibility, transparency, and sustainability.

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

RECORD KEEPING AND ADMINISTRATION Maintains accurate records, ensures effective administrative systems; complies with reporting requirements.

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

OVERALL PERFORMANCE Considering all areas, how would you rate the Executive Director's overall performance for this review period?

Please check only one box

Rating: 1 2: 3 4 5 NA

Comments:

Click or tap here to enter text.

KEY STRENGTHS

1. Click or tap here to enter text.

2. Click or tap here to enter text.

3. Click or tap here to enter text.



Where Workforce Skills Meet Opportunity

AREAS FOR GROWTH/IMPROVEMENT

1. Click or tap here to enter text.

2. Click or tap here to enter text.

3. Click or tap here to enter text.

FUTURE PRIORITIES

1. Click or tap here to enter text.

2. Click or tap here to enter text.

3. Click or tap here to enter text.



Where Workforce Skills Meet Opportunity

HUMAN RESOURCES

By signing below, I acknowledge that this evaluation has been reviewed with me. My signature does not imply that I agree with the evaluation in whole or in part.

Employee Signature /Date

Workforce Development Board Chair Signature/Date

Joint Powers Board Chair Signature/Date

HR Director Signature/Date

Predictive Market Wagering Policy — Board of Directors

1. Purpose

This policy governs participation by members of the Board of Directors of Central Minnesota Workforce Development Board in predictive markets, prediction platforms, and event wagering where the subject matter relates to organizational operations, governance, or personnel. Board members occupy a position of heightened trust and fiduciary responsibility; this policy reflects that standard.

2. Scope

This policy applies to all current members of the Board of Directors, including officers, committee members, and any ex-officio board members of Central Minnesota Workforce Development Board.

3. Prohibited Activities

Board members may not participate in any predictive market, wagering platform, or betting pool — whether for money or other value — on outcomes that include:

- Board elections, officer elections, trustee appointments, or removal actions
- Their own re-election, nomination, or committee appointment
- Executive Director or senior leadership hiring, compensation, evaluation, or separation
- Grant awards, major funding decisions, or significant donor relationships
- Mergers, affiliations, program expansions, or closures
- Legal matters, regulatory actions, or investigations involving the organization
- Any other matter that is, or reasonably could be, subject to board deliberation or vote

4. Fiduciary Duty & Confidentiality

Board members owe fiduciary duties of care, loyalty, and obedience to Central Minnesota Workforce Development Board. Wagering on organizational outcomes — even on platforms perceived as informal — may constitute a breach of the duty of loyalty, a misuse of confidential information, or both. These obligations apply regardless of whether the board member believes the information is likely to become public.

Board members are reminded that confidentiality obligations established at the time of their appointment remain in effect throughout their tenure and extend to all non-public organizational information, including matters discussed in executive session.

5. Relationship to Conflict of Interest Policy

Participation in predictive markets on matters before the board may constitute a conflict of interest under Central Minnesota Workforce Development Board's Conflict of Interest Policy. Board members are expected to disclose any actual or potential conflicts in accordance with that policy, which this policy supplements but does not replace.

6. Personal Use & Non-Organizational Topics

This policy does not restrict personal participation in predictive markets on topics unrelated to Central Minnesota Workforce Development Board. Board members engaging in such activities

must not imply any organizational affiliation or endorsement, and must ensure that no confidential information informs their participation.

7. Reporting Concerns

Concerns about potential violations of this policy should be reported to the Board Chair or, if the Chair is implicated, to the Vice Chair or legal counsel. Reports made in good faith will be handled with appropriate discretion and will not result in retaliation.

8. Consequences of Violations

Violations of this policy may be considered a breach of fiduciary duty and grounds for removal from the Board in accordance with Central Minnesota Workforce Development Board's bylaws. The Board reserves the right to take such additional action as it deems appropriate, including referral to legal counsel.

9. Policy Review

This policy shall be reviewed by the Board no less than every two years and updated as needed to reflect changes in law, technology, or organizational circumstances.

CENTRAL MINNESOTA JOBS AND TRAINING SERVICES, INC.
PERFORMANCE GRID GUIDELINES
July 1, 2026

Job Rate	1	2	3	4	5
Max	0	0%	0%	1.0%	2.0%
4th Quartile	0%	0%	0.0%	2.0%	3.0%
3rd Quartile	0%	0%	2.0%	3.0%	4.0%
2nd Quartile	0%	0%	4.0%	5.0%	6.0%
1st Quartile	0%	3.0%	5.0%	6.0%	7.0%

Budgeted average increase FY 2026 - 27 = 4.26%

