

work²future

opportunity • jobs • success

FINANCE COMMITTEE AGENDA

Wednesday, November 19, 2014
3:00 p.m. – 5:00 p.m.

Business Services & Administration Office
5730 Chambertin Drive
San Jose, CA 95118
408.794.1100
www.work2future.biz

Susan Koeppe-Baker, Chair
Joy Salandanan, Secretary
Chiu Tak Cheng, Committee Staff

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http://www.sanjoseca.gov/clerk/cp_manual/CPM_0_15.pdf

For questions regarding this agenda, please call Chiu Tak Cheng at (408) 794-1235. To request an accommodation under the Americans with Disabilities Act to participate in this public meeting/event, please call the Disability Program Navigator at 408 794-1236 or 408 294-9337 (TTY) at least (3) three business days before the meeting/event.

NOTICE TO THE PUBLIC

Good afternoon, my name is Susan Koepp-Baker, and in my capacity as Chair of the Finance Committee, I would like to welcome you to the **Finance Committee meeting of November 19, 2014.**

Members of the public who wish to address the Committee should identify themselves and state their addresses for the record. Prior to making comments, you should complete a blue Comment Card (located near the door), and hand to any [work2future](#) staff member.

The procedure for this meeting is as follows:

- The Chair will read the opening remarks.
- Members of the public wishing to make a comment will then be given one (1) minute each to comment.
- [work2future](#) staff and/or Committee Members will present recommendations for each action item on the agenda.
- Committee members may ask questions of [work2future](#) Staff and other Committee Members.
- The Committee may take action on any item designated as an action item.
- Copies of the agenda have been placed on the table near the door for your convenience.
- [work2future](#) Committee members may only discuss items listed on the Agenda pursuant to the “Brown Act.”

FINANCE COMMITTEE

November 19, 2014

3:00 p.m. – 5:00 p.m.

ORDER OF BUSINESS

I. QUORUM VERIFICATION

II. OPENING REMARKS

Anticipated Ending Times (an item may be heard before or after this ending time):

III. CONSENT ITEMS

{Action}

3:05p
5 min.

Recommendations:

- (a) Accept the Grant Report of October 30, 2014
- (b) Accept the Labor Market Report of October 15, 2014
- (c) Accept the September BusinessOwnerSpace.com (BOS) Report of October 29, 2014
- (d) Accept the September Customer Service Report of October 14, 2014
- (e) Accept the September work2future Outreach Report of October 30, 2014

IV. AGENDA ITEMS

A. Old Business

1. Minutes Approval

{Action}

3:10p
5 min.

Approval of the September 10, 2014 work2future Finance Committee Minutes.

B. New Business

1. Approval of 2015 Meeting Schedule

{Action}

3:15p
10 min.

Susan Koepp-Baker, Chairperson

Approval of the recommended committee meeting dates for 2015.

2. Budget Variance as of September 2014

{Discussion}

3:25p
15 min.

Joy Salandanan, Finance Manager

An update of the Budget Variance of September 2014 will be provided.

3. work2future Foundation

a. Contract Performance Dashboard

{Deferred}

3:40p
10 min.

Christopher Donnelly, Director

A presentation will be provided on work2future Foundation's performance dashboard.

b. Fundraising Efforts

{Discussion}

3:50 p
5 min.

David Mirrione, work2future Foundation Executive Director

A presentation will be provided on the work2future Foundation's fundraising efforts.

4. **Gilroy Job Center Relocation Status** {Discussion} 3:55p
Christopher Donnelly, Director 15 min.

A discussion will be held regarding the relocation of the work2future Gilroy Job Center.

5. **Workforce Investment and Opportunity Act (WIOA) Update** {Discussion} 4:10p
Christopher Donnelly, Director 10 min.

A discussion will be held regarding legislation signed by President Obama on July 22, 2014 to replace the Workforce Investment Act (WIA) effective July 1, 2015.

6. **SB 734 (WIB Funding) Training Update** {Discussion} 4:20p
Sangeeta Durrall, Program Manager 10 min.

An update will be provided regarding the FY2014-15 SB734 Training expenditures.

7. **work2future Performance Update** {Discussion} 4:30p
Monique Melchor, MIS Program Manager 10 min.

An update on work2future’s final performance for FY2013-2014 and 1st quarter of FY2014-2015 will be provided.

- C. **Set Items for next Agenda** 4:40p
 10 min.

- D. **Announcements**

- E. **Next Meeting**

The next Finance meeting is currently tentatively scheduled for **March 11, 2015** at 3:00 p.m. at the Business Services and Administration Office, 5730 Chambertin Drive in San Jose, California.

V. PUBLIC COMMENT

VI. ADJOURNMENT

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Business Services and Administration Office, 5730 Chambertin Drive San Jose, California at the same time that the public records are distributed or made available to the legislative body.

CITY OF SAN JOSE CODE OF CONDUCT FOR PUBLIC MEETINGS IN THE COUNCIL CHAMBERS AND COMMITTEE ROOMS

The Code of Conduct is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, its Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

1. Public Meeting Decorum:

- a) Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
- b) Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
- c) Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
- d) Appropriate attire, including shoes and shirts are required in the Council Chambers and Committee Rooms at all times.
- e) Persons in the audience will not place their feet on the seats in front of them.
- f) No food, drink (other than bottled water with a cap), or chewing gum will be allowed in the Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
- g) All persons entering the Council Chambers and Committee Rooms, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.

2. Signs, Objects or Symbolic Material:

- a) Objects and symbolic materials, such as signs or banners, will be allowed in the Council Chambers and Committee Rooms, with the following restrictions:
 - No objects will be larger than 2 feet by 3 feet.
 - No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
 - The items cannot create a building maintenance problem or a fire or safety hazard.
- b) Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
- c) Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the Council Chambers and Committee Rooms if a threat exists or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools; letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

**CITY OF SAN JOSE CODE OF CONDUCT FOR PUBLIC MEETINGS IN
THE COUNCIL CHAMBERS AND COMMITTEE ROOMS (CONT'D)**

3. Addressing the Council, Committee, Board or Commission:

- a) Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the City Clerk or other administrative staff at the meeting.
- b) Meeting attendees are usually given two (2) minutes to speak on any agenda item and/or during open forum; the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate. Applicants and appellants in land use matters are usually given more time to speak.
- c) Speakers should discuss topics related to City business on the agenda, unless they are speaking during open forum.
- d) Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council Members, Board Members, Commissioners or Staff in conversation will not be honored. Abusive language is inappropriate.
- e) Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
- f) If an individual wishes to submit written information, he or she may give it to the City Clerk or other administrative staff at the meeting.
- g) Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.

Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.

III

Consent Items

Recommendations:

- (a) Accept the Grant Report of October 30, 2014
- (b) Accept the Labor Market Report of October 15, 2014
- (c) Accept the September BusinessOwnerSpace.com (BOS) Report of October 29, 2014
- (d) Accept the September Customer Service Report of October 14, 2014
- (e) Accept the September work2future Outreach Report of October 30, 2014

[Action]

III (a)

**Accept the Grant Report of
October 30, 2014.**

[Action]

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2014-2015 GRANTS REPORT

Prepared by Javier Vanga
Reviewed by David Mirrione and Christopher Donnelly on
10/30/2014

Item III (a)

| Applicant | Grants Funding Source/Sponsor | Date Submitted | Award Date | Name | Funding Request | Funding Awarded | Funding Expenditure to Date | Funding Remaining to Date | Other Partners |
|---|-------------------------------|----------------|------------|---|-----------------|-----------------|-----------------------------|---------------------------|---|
| PENDING | | | | | | | | | |
| work2future/ work2future Foundation | County of Santa Clara | TBD | TBD | Summer Work Experience Program | TBD | TBD | | | |
| SUBMITTED | | | | | | | | | |
| AWARDED | | | | | | | | | |
| NOVA/ work2future | Department of Labor | 4/1/2014 | 10/15/2014 | Ready to Work Partnership Grant (H-1B Visa) | \$1,134,128 | \$1,134,128 | \$0 | \$1,134,128 | San Francisco, Alameda and San Mateo WIBs |
| work2future Foundation | Bank of America | 4/1/2014 | 7/1/2014 | B of A Internship | \$10,000 | \$10,000 | \$0 | \$10,000 | |
| work2future | CWIB | 3/28/2014 | 4/30/2014 | Prop 39 Pre-Apprenticeship | \$580,904 | \$500,000 | \$0 | \$500,000 | work2future Foundation: \$88,000 |
| work2future Foundation | Bank of America | 3/1/2014 | 6/15/2014 | Summer Green Cadre | \$25,000 | \$25,000 | \$0 | \$25,000 | |

On November 4, work2future was verbally notified that it would not be funded through Bank of America's Neighborhood Builder Award.

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III (b)

Accept the Labor Market
Report of October 15, 2014.

[Action]

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THE ECONOMIC and WORKFORCE SITUATION

September 2014 Snapshot

Prepared by Bige Yilmaz; Approved on 15OCT14 by Lawrence Thoo

Unemployment for August 2014

San Jose-Sunnyvale-Santa Clara MSA was 5.5%, California 7.4%, United States 6.3 %, and Santa Clara County was 5.5%. Compared to the previous month, every region showed a decline in unemployment rate.

Source EDD September 19, 2014

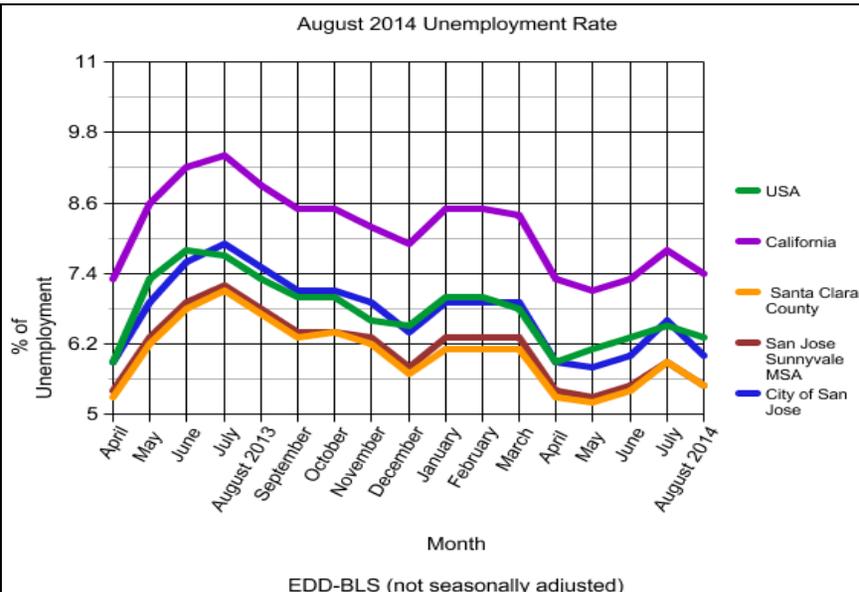
San Jose-Sunnyvale-Santa Clara MSA Stats

Between August 2013 and August 2014, industry employment in the San Jose-Sunnyvale-Santa Clara MSA, which also includes San Benito County, grew by 31,000 jobs, or 3.2 percent.

- Private educational and health services (up 7,900 jobs) led the year-over job growth. Private health care (up 4,800 jobs) accounted for just over three-fifths of that increase, with significant expansion occurring in ambulatory health care services (up 3,700 jobs).
- Information (up 6,800 jobs net) grew by 11.3 percent over the year, despite a cutback of 700 jobs within publishing industries (except Internet).
- Other major industries recording increases of at least 1,600 jobs over the year included: manufacturing (up 4,000 jobs); leisure and hospitality (up 3,300 jobs); government (up 2,300 jobs); construction (up 2,100 jobs); professional and business services (up 1,900 jobs); and trade, transportation, and utilities (up 1,600 jobs).

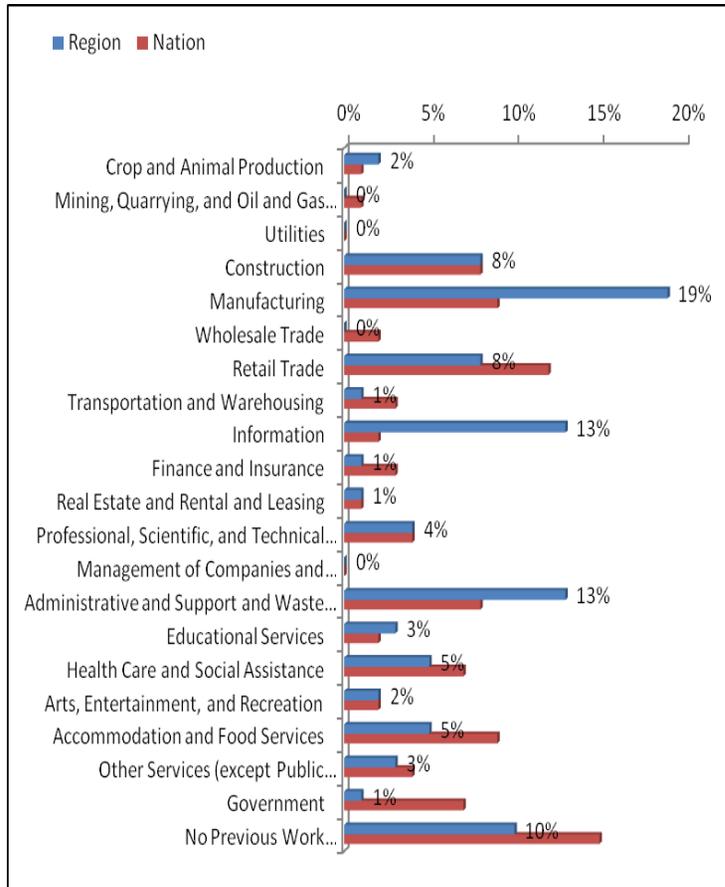
EDD-BLS September 19, 2014

August 2014 Unemployment Rate

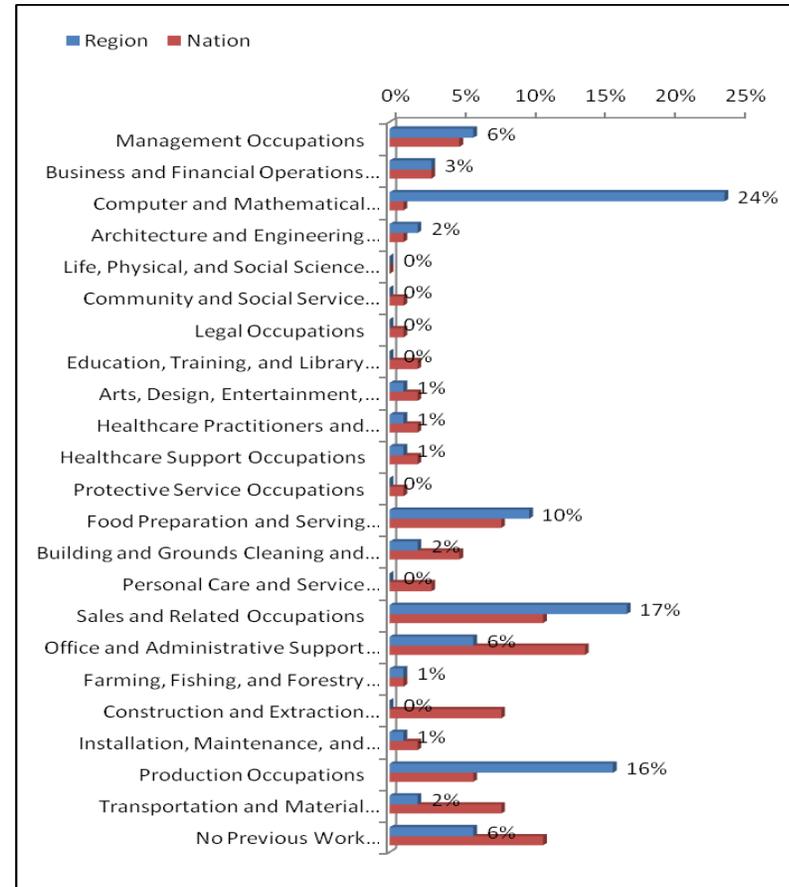


Unemployment by Industry and Occupation San Jose-Sunnyvale-Santa Clara, CA

Industries



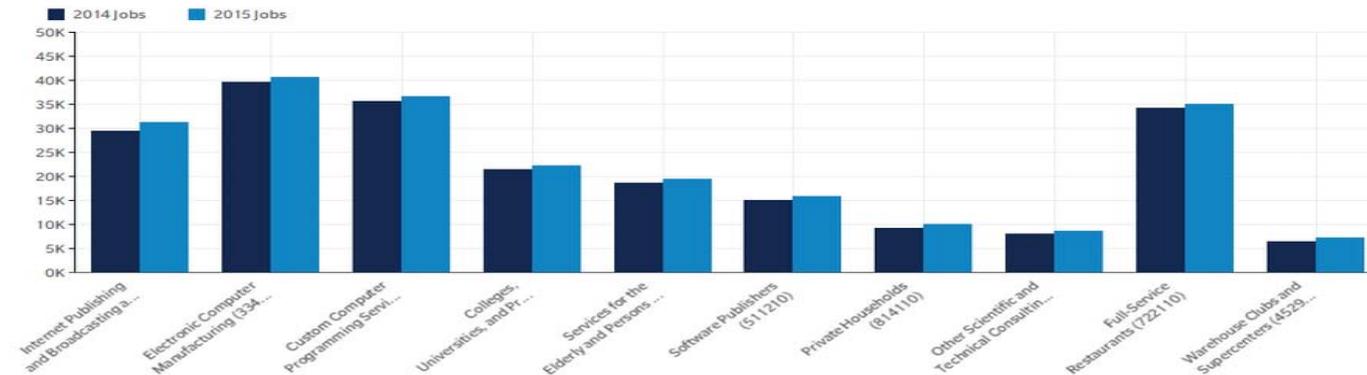
Occupations



Source: EMSI Analyst, September 2014 Unemployment Data- February 2014.

Fastest Growing Industry and Occupation Projections, San Jose-Sunnyvale-Santa Clara, CA 2014-2015

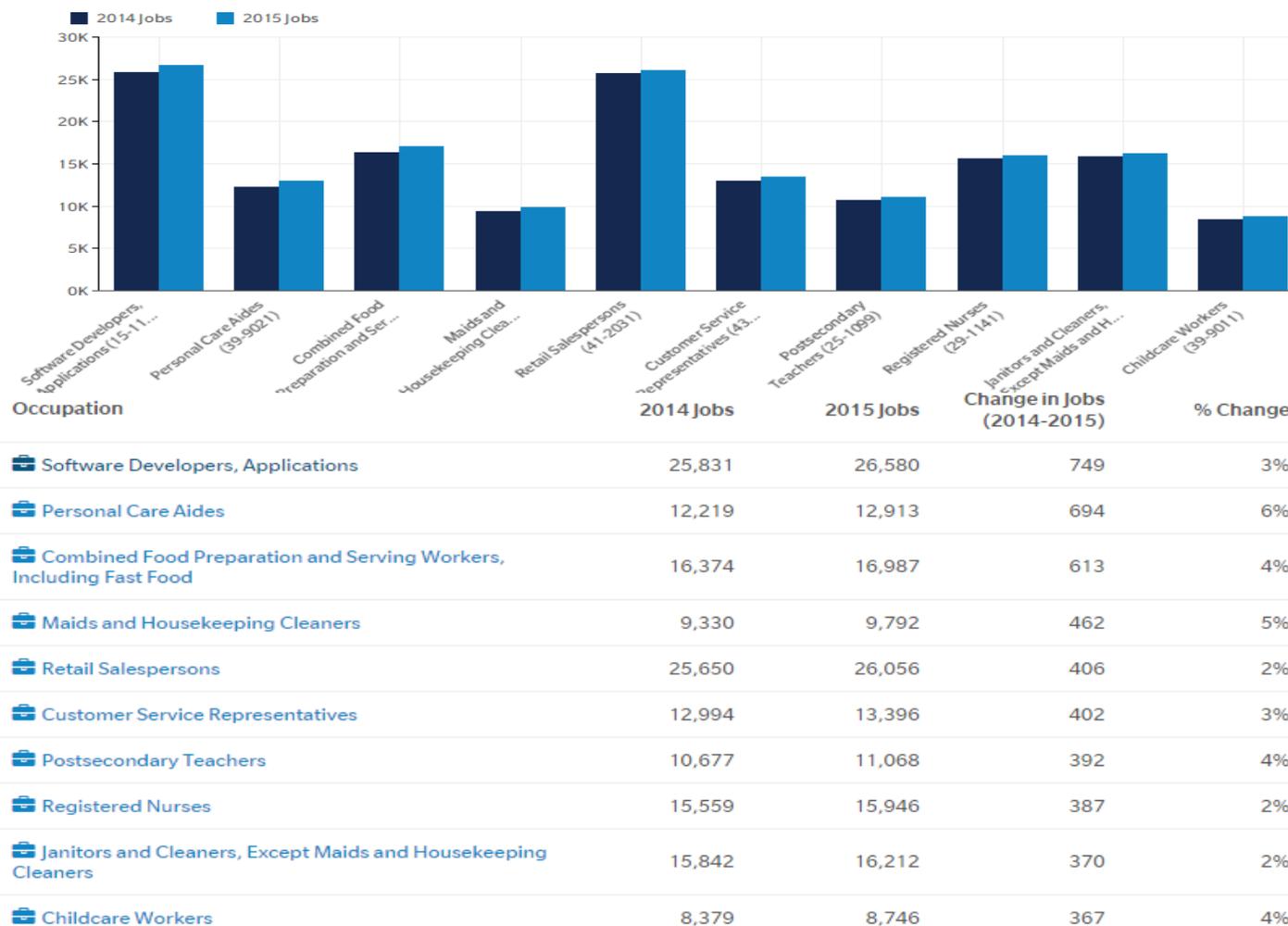
Industries



| Industry | 2014 Jobs | 2015 Jobs | Change in Jobs (2014-2015) | % Change |
|---|-----------|-----------|----------------------------|----------|
| Internet Publishing and Broadcasting and Web Search Portals | 29,410 | 31,209 | 1,799 | 6% |
| Electronic Computer Manufacturing | 39,556 | 40,582 | 1,026 | 3% |
| Custom Computer Programming Services | 35,579 | 36,554 | 974 | 3% |
| Colleges, Universities, and Professional Schools (Private) | 21,308 | 22,216 | 908 | 4% |
| Services for the Elderly and Persons with Disabilities | 18,584 | 19,488 | 904 | 5% |
| Software Publishers | 14,989 | 15,871 | 883 | 6% |
| Private Households | 9,104 | 9,963 | 859 | 9% |
| Other Scientific and Technical Consulting Services | 7,903 | 8,657 | 754 | 10% |
| Full-Service Restaurants | 34,233 | 34,942 | 709 | 2% |
| Warehouse Clubs and Supercenters | 6,467 | 7,160 | 693 | 11% |

Fastest Growing Industry and Occupation Projections, San Jose-Sunnyvale-Santa Clara, CA 2014-2015

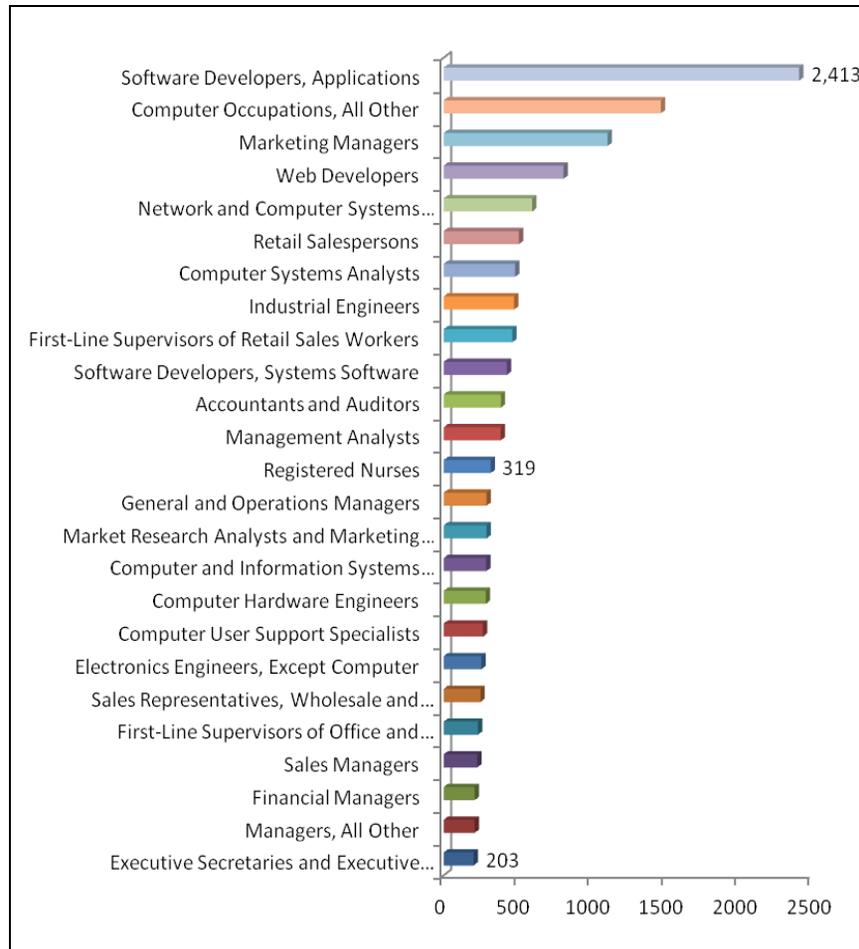
Occupations



Source: EMSI Analyst, September 2014

Top Occupations and Industries in Job Postings San Jose-Sunnyvale-Santa Clara, CA September 1-29, 2014

Top Occupations



Top Industries



Employers Aren't Just Whining – the “Skills Gap” Is Real

by James Bessen | August 25, 2014
Harvard Business Review Blog Network

Every year, the Manpower Group, a human resources consultancy, conducts a worldwide “Talent Shortage Survey.” Last year, 35% of 38,000 employers reported difficulty filling jobs due to lack of available talent; in the U.S., 39% of employers did. But the idea of a “skills gap” as identified in this and other surveys has been widely criticized. Peter Cappelli [asks](#) whether these studies are just a sign of “employer whining;” Paul Krugman [calls the skills gap](#) a “zombie idea” that “that should have been killed by evidence, but refuses to die.” The New York Times [asserts](#) that it is “mostly a corporate fiction, based in part on self-interest and a misreading of government data.” According to the Times, the survey responses are an effort by executives to get “the government to take on more of the costs of training workers.”

Really? A worldwide scheme by thousands of business managers to manipulate public opinion seems far-fetched. Perhaps the simpler explanation is the better one: many employers might actually have difficulty hiring skilled workers. The critics cite economic evidence to argue that there are no major shortages of skilled workers. But a closer look shows that their evidence is mostly irrelevant. The issue is confusing because the skills required to work with new technologies are hard to measure. They are even harder to manage. Understanding this controversy sheds some light on what employers and government need to do to deal with a very real problem.

This issue has become controversial because people mean different things by “skills gap.” Some [public officials](#) have sought to blame persistent unemployment on skill shortages. I am not suggesting any major link between the supply of skilled workers and today’s unemployment; there is little evidence to support such an interpretation. Indeed, employers reported difficulty hiring skilled workers before the recession. This illustrates one source of confusion in the debate over the existence of a skills gap: distinguishing between the short and long term. Today’s unemployment is largely a cyclical matter, caused by the recession and best addressed by macroeconomic policy. Yet although skills are not a major contributor to today’s unemployment, the longer-term issue of worker skills is important both for managers and for policy.

Nor is the skills gap primarily a problem of schooling. Peter Cappelli [reviews](#) the evidence to conclude that there are not major shortages of workers with basic reading and math skills or of workers with engineering and technical training; if anything, too many workers may be overeducated. Nevertheless, employers still have real difficulties hiring workers with the skills to deal with new technologies.

Why are skills sometimes hard to measure and to manage? Because new technologies frequently require specific new skills that schools don’t teach and that labor markets don’t supply. Since information technologies have radically changed much work over the last couple of decades, employers have had persistent difficulty finding workers who can make the most of these new technologies.

Consider, for example, graphic designers. Until recently, almost all graphic designers designed for print. Then came the Internet and demand grew for web designers. Then came smartphones and demand grew for mobile designers. Designers had to keep up with new technologies and new standards that are still changing rapidly. A few years ago they needed to know Flash; now they need to know HTML5 instead. New specialties emerged such as user-interaction specialists and information architects. At the same time, business models in publishing have changed rapidly.

Graphic arts schools have had difficulty keeping up. Much of what they teach becomes obsolete quickly and most are still oriented to print design in any case. Instead, designers have to learn on the job, so experience matters. But employers can’t easily evaluate prospective new hires just based on years of experience. Not every designer can learn well on the job and often what they learn might be specific to their particular employer.

The labor market for web and mobile designers faces a kind of Catch-22: without certified standard skills, learning on the job matters but employers have a hard time knowing whom to hire and whose experience is valuable; and employees have limited incentives to put time and effort into learning on the job if they are uncertain about the future prospects of the particular version of technology their employer uses. Workers will more likely invest when standardized skills promise them a secure career path with reliably good wages in the future.

Under these conditions, employers do, have a hard time finding workers with the latest design skills. When new technologies come into play, simple textbook notions about skills can be misleading for both managers and economists.

For one thing, education does not measure technical skills. A graphic designer with a bachelor’s degree does not necessarily have the skills to work on a web development team. Some economists [argue](#) that there is no shortage of employees with the basic skills in reading, writing and math to meet the requirements of today’s jobs. But those aren’t the skills in short supply.

Other critics look at wages for evidence. Times editors tell us “If a business really needed workers, it would pay up.” Gary Burtless at the Brookings Institution [puts it](#) more bluntly: “Unless managers have forgotten everything they learned in Econ 101, they should recognize that one way to fill a vacancy is to offer qualified job seekers a compelling reason to take the job” by offering better pay or benefits. Since Burtless finds that the median wage is not increasing, he concludes that there is no shortage of skilled workers.

But that’s not quite right. The wages of the median worker tell us only that the skills of the *median worker* aren’t in short supply; other workers could still have skills in high demand. Technology doesn’t make all workers’ skills more valuable; some skills become valuable, but others go obsolete. Wages should only go up for those particular groups of workers who have highly demanded skills. Some economists [observe](#) wages in major occupational groups or by [state or metropolitan area](#) to conclude that there are no major skill shortages. But these broad categories don’t correspond to worker skills either, so this evidence is also not compelling.

To the contrary, there is evidence that select groups of workers have been had sustained wage growth, implying persistent skill shortages. Some specific occupations such as nursing do show sustained wage growth and employment growth over a couple decades. And there is more general evidence of rising pay for skills *within* many occupations. Because many new skills are learned on the job, not all workers within an occupation acquire them. For example, the average designer, who typically does print design, does not have good web and mobile platform skills. Not surprisingly, the wages of the average designer have not gone up. However, those designers who have acquired the critical skills, often by teaching themselves on the job, command six figure salaries or \$90 to \$100 per hour rates as freelancers. The wages of the top 10% of designers *have* risen strongly; the wages of the average designer have not. There is a shortage of skilled designers but it can only be seen in the wages of those designers who have managed to master new technologies.

This trend is more general. We [see it](#) in the high pay that software developers in Silicon Valley receive for their specialized skills. And we see it throughout the workforce. [Research](#) shows that since the 1980s, the wages of the top 10% of workers has risen sharply relative to the median wage earner after controlling for observable characteristics such as education and experience. Some workers have indeed benefited from skills that are apparently in short supply; it's just that these skills are not captured by the crude statistical categories that economists have at hand.

And these skills appear to be related to new technology, in particular, to information technologies. The chart shows how the wages of the 90th percentile increased relative to the wages of the 50th percentile in different groups of occupations. The occupational groups are organized in order of declining computer use and the changes are measured from 1982 to 2012. Occupations affected by office computing and the Internet (69% of these workers use computers) and healthcare (55% of these workers use computers) show the greatest relative wage growth for the 90th percentile. Millions of workers within these occupations appear to have valuable specialized skills that are in short supply and have seen their wages grow dramatically.

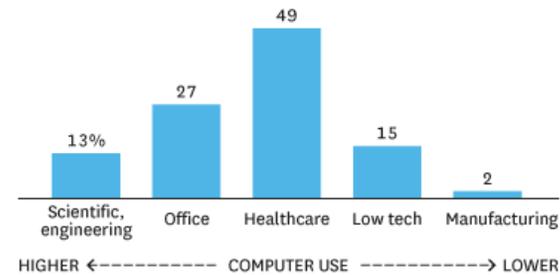
This evidence shows that we should not be too quick to discard employer claims about hiring skilled talent. Most managers don't need remedial Econ 101; the overly simple models of Econ 101 just don't tell us much about real world skills and technology. The evidence highlights instead just how difficult it is to measure worker skills, especially those relating to new technology.

What is hard to measure is often hard to manage. Employers using new technologies need to base hiring decisions not just on education, but also on the non-cognitive skills that allow some people to excel at learning on the job; they need to design pay structures to retain workers who do learn, yet not to encumber employee mobility and knowledge sharing, which are often key to informal learning; and they need to design business models that enable workers to learn effectively on the job... Policy makers also need to think differently about skills, encouraging, for example, industry certification programs for new skills and partnerships between community colleges and local employers.

Although it is difficult for workers and employers to develop these new skills, this difficulty creates opportunity. Those workers who acquire the latest skills earn good pay; those employers who hire the right workers and train them well can realize the competitive advantages that come with new technologies.

HIGH-SKILLED WAGE GROWTH ACROSS OCCUPATIONS

PERCENTAGE CHANGE IN WAGES OF THE 90TH PERCENTILE
RELATIVE TO THE 50TH PERCENTILE, 1982 TO 2012



SOURCE JAMES BESSEN'S CALCULATIONS FROM THE BLS
MARCH 2014 CURRENT POPULATION SURVEY

HBR.ORG

To read the full article and comments, please go to:

<http://blogs.hbr.org/2014/08/employers-arent-just-whining-the-skills-gap-is-real/>

Prepared by: Special Projects Team
September 29, 2014

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III (c)

Accept the September
BusinessOwnerSpace.com
(BOS) Report of October 29,
2014.

[Action]

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III (d)

Accept the September Customer
Service Report
of October 14, 2014.

[Action]

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Customer Service Report

ADULT AND DISLOCATED WORKER Program: 2014-2015

Report Date: October 14, 2014

Reporting Period: September 1 – September 30, 2014

Prepared by Sangeeta Durrall and approved by Monique Melchor on 14OCT14.

Customer Satisfaction Survey

Outcomes based on “Customer Satisfaction Comments” from previous months:

- An increase in the number of computer classes from one to three.
- Developed a computer lab in the assessment room specifically to help customers transition to advanced computer classes.

Comment Card:

- Total number of customer responses was 832

work2future services utilized by the 832 customers who completed the survey

- 95.03% Completed Workshops
- 84.50% Completed Welcome Orientations
- 68.27% Completed Career Advising
- 28.73% Completed Training related services
- 23.32% Job Fairs and Recruitments
- 23.20% Completed Assessments

Analysis for the month of September:

- Overall customer satisfaction rate is 98%

Enrollments

A – Number of existing (carryover) customers: 1,532

B – Number of new customer enrollments: 207 for the month of September
AD-149 and DWP-58

C – Total: (A + B) = 1,739

D – Total Exited: 96

E – Total Enrolled Customers: (C – D) = 1,643

New Enrollments Year to Date: 676

Services

- Number of core and intensive services provided to customers
 - 3,624 services for the month of September
 - 11,716 services for 1,643 customers for fiscal year start to report period end date
 - 7.13 services per customer
- Rolling Average October 2013 – September 2014
 - 2,305 Average number of customers for the year
 - 19,505 Average number of services for the year
 - 8.46 Average number of services per customer

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III (e)

Accept the work2future
Outreach Report
of October 30, 2014.

[Action]

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Outreach Calendar 2014/2015

Agenda Item: III (e)

Prepared by Dhez Woodworth; Approved by B.J. Sims on 10/30/14

| Date | Event | Location | Lead Sponsor/Agency | Expected # | Target | Actual # | Confirmed |
|-----------------------|-----------------------------------|----------------------------|-----------------------------|------------|----------------------|----------|-----------|
| 10/30/2014 - 7/9/2014 | Marshalls Mass Hire | San Jose Job Center | work2future/ Marshalls | 120 | Job Seekers | 164 | x |
| 7/10/2014 | Procurement 101 | MLK | NCMBDA/MLK/BOS | 100 | Businesses | 100 | x |
| 7/16/2014 | NCHRA Conference | South San Francisco | NCHRA | 700 | HR Professionals | 820 | x |
| 7/16/2014 | StartUp Cup Competition Kick off | work2future Business Ctr. | StartUp Cup/ work2future | 20 | Entrepreneurs | 20 | x |
| 7/24/2014 | Employment Connection Job Fair | Senter Rd. facility | SCC DSS | 1,000 | Business/Job Seekers | 600 | x |
| 7/30/2014 | Job Fair | Youth Training Center | work2future | 50 | Job Seekers | 30 | x |
| 8/2/2014 | SCC | 70 W. Hedding St. | SCC/Dave Cortese | 500 | Community | 200 | x |
| 8/7/2014 - 8/9/2014 | Target Mass Hire | San Jose Job Center | work2future/Target | 500 | Job Seekers | 476 | x |
| 8/15/2014 | Resource Fair | San Jose Job Center | work2future | 50 | Community | 150 | x |
| 8/20/2014 | StartUp Cup Competition Mentoring | work2future Business Ctr. | StartUp Cup/ work2future | 20 | Entrepreneurs | 20 | x |
| 8/21/2014 | Gilroy Resource Fair | Gilroy Job Center | work2future | 50 | Community | 65 | x |
| 8/24/2014 | District 9 | Cambrian Community Ctr | District 9 | 1,500 | Community | 1,500 | x |
| 9/18/2014 | SJSU Gov't & Non Profit Job Fair | SJSU Student Union | SJSU | 1,500 | Students/ Alumni | 1,000 | x |
| 9/20/2014 | District 2 Village Fest | Village Oaks Shopping Ctr. | District 2 | 1,000 | Community | 1,500 | x |

| Date | Event | Location | Lead Sponsor/Agency | Expected # | Target | Actual # | Confirmed |
|----------------------------|--|--|---------------------------------------|-------------------|----------------------------------|-----------------|------------------|
| 9/24/2014 | StartUp Cup Competition Mentoring | work2future Business Ctr. | StartUp Cup/ work2future | 20 | Entrepreneurs | 20 | x |
| 10/6/2014 | Small Business Ignite | OED/BOS/SVTP | SVTP | 35 | Small Business/ Entrepreneurs | 36 | x |
| 10/8/2014 | StartUp Cup Competition Mentoring | work2future Business Ctr. | StartUp Cup/ work2future | 20 | Entrepreneurs | 20 | x |
| 10/11/2014 | District 8 Day in the Park Resource Fair | Lake Cunningham | District 8 | 500 | Community | 1,500 | x |
| 10/15/2014 | Job Fair | County Fair Grounds | work2future | 400 | Business/Job Seekers | 700 | x |
| 10/15/2014 | Festiv'ALL | County Fair Grounds | Hispanic Chamber/BOS | 2,000 | Business/ Community | 1,200 | x |
| 10/23/2014 | Eastridge Job Fair | Eastridge Mall | work2future/WI Eastridge | 200 | Community | 250 | x |
| 10/25/2014 | Oakridge Youth Job Fair | Oakridge Mall | Districts 7 & 10 | 200 | Youth | 100 | x |
| 10/26/2014 - 10/31/2014 | SV leadership Conference | Almaden Center/ SJSU/ City Hall/ MLK/ Adobe / Boccardo | JAMK /SJSU University | 25 | JAMK Students | 25 | x |
| 10/30/14 | Girloy Job Fair | Gilroy Job Center | work2future Foundation | 75 | Businesses/ Job Seekers | 85 | x |
| 11/4/2014 | Small Business Saturday Intro | City Council Chamber | work2future/Council Member Herrera | N/A | Community | | x |
| 11/19/2014 | Silicon Valley Innovation Challenge | San Jose State University | SJSU | 50 | Students/ Business | | x |

| Date | Event | Location | Lead Sponsor/Agency | Expected # | Target | Actual # | Confirmed |
|----------------------|------------------------|------------------------|----------------------------|-------------------|-------------------------------------|-----------------|------------------|
| January/ February | Tet Event | SCC Fairgrounds | Vietnamese Community | 1,000 | Community | | x |
| March/April | Job Fair | Mexican Heritage Plaza | work2future | 400 | Business/ Job Seekers | | x |
| May | Small Business Week | TBD | TBD | TBD | Small Business/ Entrepreneurs | | x |

Total actual attendees
work2future sponsored event attendees

| |
|--------|
| 10,581 |
| 1,189 |

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IV (A) (1)

Minutes Approval

[Action]

work²future
opportunity • jobs • success

DRAFT

**FINANCE COMMITTEE
MINUTES**

September 10, 2014

3:00 pm – 5:00 p.m.

Business Services and Administration Office
5730 Chambertin Drive
San Jose, CA 95118
408-794-1200
www.work2future.biz

Sue Koepp-Baker, Chair
Dani Sellers, Vice Chair
Joy Salandanan, Secretary
Chiu Tak Cheng, Committee Staff

**WORK2FUTURE
FINANCE COMMITTEE MINUTES
September 10, 2014**

These Minutes were prepared by Joy Salandanan and reviewed by Chris Donnelly on 12NOV14.

I. ROLL CALL

Present:

Finance Committee Members: Susan Koepp-Baker, Rocky Maddex, Dani Sellers.

work2future WIB Staff: Christopher Donnelly, Joy Salandanan, Chiu Tak Cheng.

work2future Foundation Staff: David Mirrione, Javier Vanga.

Absent:

Finance Committee Members: Jack Estill, Hermelinda Sapien.

II. OPENING REMARKS: Read by Chairperson Susan Koepp-Baker.

III. CONSENT ITEMS

The committee accepted the following Consent Items:

- (a) Grant Report of August 1, 2014.
- (b) Labor Market Report of August 11, 2014.
- (c) July BusinessOwnerSpace.com (BOS) Report of August 11, 2014.
- (d) July Customer Service Report of August 11, 2014.
- (e) work2future Outreach Report of August 11, 2014.

The consent items were unanimously accepted.

Motion: Dani Sellers

Second: Rocky Maddex

IV. AGENDA ITEMS

A. Old Business:

1. Minutes Approval

ACTION: The Minutes of the June 9, 2014 work2future Finance Committee meeting were unanimously approved.

Motion: Dani Sellers

Second: Rocky Maddex

B. New Business

1. Workforce Innovation and Opportunity Act (WIOA)

Director Christopher Donnelly gave a brief presentation regarding the WIOA, replacement legislation for the Workforce Investment Act (WIA). He reported some key changes such as elimination of 15 existing WIA programs; restoration of

the 15% reserved funding for Governors; application of a single set of outcome metrics to every federal workforce program under the Act; retention of private-led Boards; elimination of “sequence of services” in the Adult program; requirement that 70% of Youth allocation be spent serving “out-of-school” youth; requirement that 20% of Youth program allocation be spent on work experience programs, and a provision of a 3% reserve from discretionary funding that local workforce boards may access in case a mandated partner cannot contribute to the cost of providing services in a One Stop location.

2. WIA State Performance Updates

The Director presented a matrix of the 2013-2014 performance goals, the State-proposed performance goals for 2014-2015, and work2future’s negotiated goals for 2014-2015. He reported that overall, work2future met and exceeded 9 out of 9 of its 2013-2014 State mandated performance goals based on the State’s 4th quarter performance data. He added that work2future was able to negotiate a lower set of performance goals for 2014-2015 compared to the State’s proposed goals. However, these goals are still higher compared to 2013-2014 except for the Youth placement goal, which is slightly lower since the State considered the fact that 99% of the youth population served by work2future has multiple barriers to employment.

3. Budget Variance & Year-End Reconciliation as of 30 June 2014

Finance Manager Joy Salandanan presented the final financial report at year-end close as of June 2014. She explained the final numbers which includes an adjustment of \$204,143 in the WIA formula funding carry over account is a result of the difference between the actual carry over amount of \$2.103 million at the final FY 2013-2014 year-end close and the projected carryover in the Proposed Budget of \$2.307 million, brought about by estimating a lower benefit cost for the Foundation and spending more in adult and youth training services than estimated.

The Foundation benefit costs were purely based on the average employee’s age and average workers’ compensation incidences for non-profit organizations since there are no historical data available for the Foundation yet, having been fully operational for only three months. The training services amount was estimated based on a much lower level of expenditures for the last three quarters as a result of the new State-mandated training requirement that reduced both the number of training providers on the Eligible Provider List (ETPL) and the number of program courses that clients can access. However, the training team managed to enroll clients with the limited number of training providers and program courses during the 4th quarter which helped increased training expenditures at the final year-end close.

The Finance Manager reported that the Proposed Budget for Rapid Response for 2014-2015 is \$130,211 less than the final allocation received from the State. With the additional funding, work2future proposes to fund 1.3 full time equivalent positions (FTEs) to help with layoff aversion strategies and to manage the reporting requirements to the State. She also reported that the proposed carry over for Special Funds was lower by approximately \$7,000; thus, it has to be adjusted downwards in the Proposed Budget for 2014-2015.

In response to a committee member query, the Director replied that the impact of the adjustment for 2014-2015 budget had been addressed. He added that variances are a usual occurrence in a budgeting process from savings not realized until the year end closing is completed. The Finance Manager added that the Reserve account will absorb the adjustment impact, so there will be no adjustments to the expenditure budget line items on the Proposed Budget for FY 2014-2015.

ACTION: Approval to forward staff's proposed budget adjustments to the Board regarding the FY 2014-2015 Board-approved Budget for the *actual* carry-over savings from the *final* year end close of FY 2013-2014, re-budgeting of the Rapid Response allocation from the State Employment Development Department, and reduction for Special fund.

Motion: Rocky Maddex
Second: Dani Sellers

4. FY 2015-2016 Budget Scenarios

Finance Manager Salandanan presented the 2015-2016 Proposed Budget scenarios of \$8 million and \$7.5 million funding allocations, approximately \$500,000 and \$1.0 million less than the current WIA allocation of \$8.5 million corresponding to a 22% to 25% reduction from the current operating budget for 2014-2015.

She reported that under the \$8.0 million scenario, at least 6 temporary unclassified positions would be eliminated, equaling approximately \$450,000; reduction in rent and related utilities of about \$123,000, corresponding to the proposed closing of the Gilroy Job Center; reduction of non-personnel cost by approximately \$300,000 representing one-time expenditures; and a decrease in adult workshop services corresponding to the reduction in funding allocation.

The Finance Manager further noted that the Adult and Dislocated Worker's training budget line item funds only 20% of the 25% SB734 funding requirement with the expectation that 5% will be raised from leveraged resources. Also, beginning 2015-2016, the Foundation is expected to fold outreach and job placement services into its case management services, so the budget for this line item has not been funded. In addition, youth training, supportive services, other client-related costs, and the funding distribution to the Foundation would bear a share of the budget cuts as well.

For the \$7.5 million budget scenario, the only difference from the \$8.0 scenario is that the Adult and Dislocated Worker program training allocation and funding distribution to the Foundation would bear higher budget cuts corresponding to the decrease in funding allocation.

She further added that both scenarios include the Board-mandated 15% reserve account. She also mentioned that with the new WIOA, at least 20% of the youth program allocation has to be spent on work experience or summer youth activities,

which is not embedded in the budget scenario proposals but will be reflected in the final Proposed Budget proposal that will be submitted in March or April 2015.

In reply to the query of the Chair, the Director replied that the Foundation is expected to raise about \$300,000 to cover line items that are not fully funded from WIA funds such as attorney's fees, insurance, payroll fees, etc.

5. Update on Foundation Activities for the Period of May 23 – August 7, 2014

The Director introduced David Mirrione, the new work2future Foundation Executive Director who gave an update as to his priority tasks for the next 3 months. He mentioned that fund raising is his number one priority. He also acknowledged the efforts led by Finance Manager Joy Salandanan for helping the Foundation in many ways particularly setting up the Foundation accounting system and fiscal policies to address WIA compliance so the Foundation would have a solid financial structure to start with. He also mentioned that the Foundation has been working with the WIB's MIS team to incorporate changes to the the CalJOBS WIA database. He also mentioned that the Foundation has successfully completed a summer Green Cadre program funded from a Bank of America grant which provided bank internship opportunities to eligible low-income youth.

The Director mentioned that the Foundation has applied for \$200,000 of unrestricted funding from Bank of America which would be used as start-up funding to build and grow the Foundation.

6. Fiscal and Program Monitoring Strategy

The Finance Manager reported on the various forms of assistance that the WIB's Finance and MIS staff had provided the Foundation prior and during its initial operation to ensure a smooth transition and compliance with WIA regulations and fiscal and program directives.

Committee Member Rock Maddex recognized staff's efforts and suggested that this be acknowledged at the next Board meeting.

ACTION: Accept the report on oversight activities being provided for the work2future Foundation's initial year of operation, and approve the report to be forwarded to the work2future Board for its meeting of September 18, 2014.

Motion: Dani Sellers
Second: Rocky Maddex

7. Approval of Proposition 39 Pre-Apprenticeship Grant

The Director presented this item to the Committee. The grant will allow work2future to implement and support a regional energy efficiency-focused job training and placement program for 120 clients which includes 60 from San Mateo County and 60 from Santa Clara County.

ACTION: Approval to forward staff's recommendation to the Board to accept a \$500,000 California Workforce Investment Board (CWIB) Proposition 39 Clean Energy Job Creation grant to provide pre-apprenticeship support, training, and placement.

Motion: Rocky Maddex
Second: Dani Sellers

8. Approval of WIA Workforce Innovation (ALLIES) Grant

The Director presented this item to the Committee. The program targets 150 to 225 clients, who are immigrants, English Second Language (ESL) learners, and lack occupational skills.

ACTION: Approval to forward staff's recommendation to the Board to accept a \$158,049 ALLIES (Alliance for Language Learners' Integration, Education, and Success) grant from the U.S. Department of Labor Workforce Innovation Fund.

Motion: Dani Sellers
Second: Rocky Maddex

9. Approval to Increase Funding Allocation to Foundation for OJT

The Director presented this item to the Committee. With the incremental funding of \$100,000, the Foundation can provide better outreach to employers and streamline the contract and payment process.

ACTION: Approval to forward staff's recommendation to the Board to increase the FY 2014-2015 funding allocation to the work2future Foundation by \$100,000 to fund OJT (on-the-job training) opportunities for work2future's clients.

Motion: Rocky Maddex
Second: Dani Sellers

10. Status of State Monitoring Observations

The Finance Manager reported that the State has accepted and verified the implementation of all corrective action plans submitted by work2future. work2future is just waiting for a final report from the State of California that will close all open fiscal and program monitoring observations with the exception of the observation relative to the purchase of staff uniforms, which is still under review. The State representative cited that work2future purchased uniforms for personal use. The State requested a reversal of charges of approximately \$5,000. work2future submitted its response to the State explaining that the uniforms are for business use – mainly for identification and security purposes. She further added that work2future followed the State competitive procurement requirement. The State is reviewing work2future's response, and has not yet issued a final report.

The Chair commented that the employee identification is a very important issue since 9/11. The uniform makes it certain that employees are identifiable.

11. EconoVue Update

Foundation Program Manager Javier Vanga reported that the State's Employment Development Department (EDD) denied the application of Special Assistance grant to furnish and update localized Labor Market Information dashboards to California's 49 WIBs since EDD believed that maintenance cost for the dashboards should be charged to the WIB users, instead of EDD funding the cost.

The Foundation Program Manager recapped some highlights and values gained from EconoVue during the years such as creating a brand for work2future. He further added that Urban Explorer will allow work2future to access the Econovue tool for free. However, work2future will not participate in the operational development of EconoVue. In addition, work2future case managers can still utilize the tool in assisting clients with job search and other labor market activities.

C. Set Items for next Agenda

- 2015 Meeting Schedule
- Foundation Update
- WIOA Update

D. Announcements:

Vice Chair Dani Sellers announced her resignation from the Finance Committee.

E. Next Finance Meeting

The next Finance meeting is currently scheduled for November 19, 2014 at **3:00 p.m.**

IV. PUBLIC COMMENT: None.

V. ADJOURNMENT: The meeting was adjourned at 5:00 p.m.

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IV (B) (1)

**Approval of 2015
Meeting Schedule**

[Action]



Memorandum

TO: work2future Finance Committee **FROM:** Susan Koepp-Baker, Chairperson
SUBJECT: **Finance Committee Meeting** **DATE:** November 19, 2014
Schedule for Calendar Year
2015

RECOMMENDATION

The Committee Members approve the Calendar Year 2015 work2future Finance Committee meeting schedule.

PROPOSED SCHEDULE

The Calendar Year 2015 proposed schedule for the Finance Committees Meeting are as follows:

- March 11, 2015
- June 4, 2015*
- Oct 14, 2015

The scheduled meeting dates take place on the 2nd Wednesday of the month. Meetings will be held from 3:00 p.m. – 5:00 p.m.

* This meeting will take place on dates other than the 2nd Wednesday to accommodate budget and contracts approval process.

Susan Koepp-Baker, Chairperson

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IV (B) (2)

Budget Variance as of September 2014

[Discussion]

Prepared by: Joy Salandanan
 Reviewed and Approved by: Chris Donnelly

| WIA Formula Funds | Adult | Dislocated Worker | Youth | RR | Total WIA |
|---|----------------------|--------------------|----------------------|--------------------|----------------------|
| Grant Period | 07/01/13-06/30/15 | 07/01/13-06/30/15 | 04/01/13-06/30/15 | 07/01/13-06/30/15 | |
| I. Actual as of June 30, 2014 | | | | | |
| Original Allocation for FY2013-2014 | \$3,630,513 | \$2,607,898 | \$3,039,530 | \$529,383 | \$9,807,324 |
| <i>Expenditures as of June 2014 Pd 14 Status 3</i> | <i>(\$2,033,558)</i> | <i>(\$684,208)</i> | <i>(\$1,943,161)</i> | <i>(\$455,551)</i> | <i>(\$5,116,478)</i> |
| Total Actual Expenditures as of June 2014 | (\$2,033,558) | (\$684,208) | (\$1,943,161) | (\$455,551) | (\$5,116,478) |
| Available Funds for FY2014-2015 | \$1,596,955 | \$1,923,690 | \$1,096,369 | \$73,832 | \$4,690,846 |
| % Remaining | 44% | 74% | 36% | 14% | 48% |
| II. Actual Expenditures | | | | | |
| (a) Available Funds from Carry over for FY2013-2014 | \$1,596,955 | \$1,923,690 | \$1,096,369 | \$73,832 | \$4,690,846 |
| Expenditures for Carry Over allocation as of Sept 2014 | (\$505,103) | (\$455,358) | (\$402,534) | (\$73,832) | (\$1,436,827) |
| \$ Remaining | \$1,091,852 | \$1,468,332 | \$693,835 | \$0 | \$3,254,019 |
| % Remaining | 68% | 76% | 63% | 0% | 69% |
| (b) Original Allocation for FY2014-2015 | \$2,710,427 | \$2,989,003 | \$2,863,415 | \$662,595 | \$9,225,440 |
| Expenditures for Original Allocation as of Sept 2014 | (\$19,187) | (\$42,373) | (\$139,726) | (\$29,471) | (\$230,757) |
| Total Expenditures/Encumbrances as of Sept 2014 | (\$19,187) | (\$42,373) | (\$139,726) | (\$29,471) | (\$230,757) |
| \$ Remaining | \$2,691,240 | \$2,946,630 | \$2,723,689 | \$633,124 | \$8,994,683 |
| % Remaining | 99% | 99% | 95% | 96% | 97% |
| Total Available Funds for FY2014-2015 | \$4,307,382 | \$4,912,693 | \$3,959,784 | \$736,427 | \$13,916,286 |
| Total Cumulative Expenditures/Encumbrance as of Sept 2014 | (\$524,290) | (\$497,731) | (\$542,260) | (\$103,303) | (\$1,667,584) |
| \$ Remaining | \$3,783,092 | \$4,414,962 | \$3,417,524 | \$633,124 | \$12,248,702 |
| % Remaining | 88% | 90% | 86% | 86% | 88% |

Prepared by: Joy Salandanan
 Reviewed and Approved by: Chris Donnelly

| WIA Formula Funds | Adult | Dislocated Worker | Youth | RR | Total WIA |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------|
| Grant Period | 07/01/13-06/30/15 | 07/01/13-06/30/15 | 04/01/13-06/30/15 | 07/01/13-06/30/15 | |
| III. Projected Expenditures (\$) | | | | | |
| (a) Carry Over Allocation from FY2013-2014 | | | | | |
| Projected Expenditures in December 2014 | (1,186,988) | (1,216,039) | (1,096,369) | (73,832) | (3,573,228) |
| Projected Expenditures in March 2015 | (1,596,955) | (1,743,670) | (1,096,369) | (73,832) | (4,510,826) |
| Projected Expenditures in June 2015 | (1,596,955) | (1,923,690) | (1,096,369) | (73,832) | (4,690,846) |
| (b) Original Allocation for FY2014-2015 | | | | | 0 |
| Projected Expenditures in December 2014 | (753,600) | (240,324) | (424,454) | (165,294) | (1,583,672) |
| Projected Expenditures in March 2015 | (1,369,893) | (1,164,219) | (1,068,278) | (330,588) | (3,932,978) |
| Projected Expenditures/Encumbrances in June 2015 | (1,746,573) | (1,980,822) | (2,084,939) | (588,672) | (6,401,006) |
| IV. Projected Carry Over (\$) | | | | | |
| (a) Carry Over Allocation from FY2013-2014 | | | | | |
| Projected Carry Over in December 2014 | \$1,596,955 | \$707,651 | \$0 | \$0 | \$2,304,606 |
| Projected Carry Over in March 2015 | \$0 | \$180,020 | \$0 | \$0 | \$180,020 |
| Projected Carry Over in June 2015 | \$0 | \$0 | \$0 | \$0 | \$0 |
| (b) Original Allocation for FY2014-2015 | | | | | |
| Projected Carry Over in December 2014 | \$1,956,827 | \$2,748,679 | \$2,438,961 | \$497,301 | \$7,641,768 |
| Projected Carry Over in March 2015 | \$1,340,534 | \$1,824,784 | \$1,795,137 | \$332,007 | \$5,292,462 |
| Projected Carry Over in June 2015 | \$963,854 | \$1,008,181 | \$778,476 | \$73,923 | \$2,824,434 |
| V. Projected Carry Over (%) | | | | | |
| Original Allocation for FY2014-2015 | | | | | |
| Projected Carry Over in December 2014 | 36% | 34% | 27% | 11% | 31% |
| Projected Carry Over in March 2015 | 36% | 34% | 27% | 11% | 31% |
| Projected Carry Over in June 2015 | 36% | 34% | 27% | 11% | 31% |

work2future
 Financial Status Report as of 9/30/2014
 PD 3 Status 3

Agenda Item IV B2

Prepared by: Joy Salandanan
 Reviewed and Approved by: Chris Donnelly

| Other Funds | CWIB | Washington Mutual (BOS) | Wells Fargo (BOS) | Bank of America (BOS) | Total |
|---|------------|-------------------------|-------------------|-----------------------|-------------------|
| Grant Period | N/A | N/A | N/A | N/A | |
| I. Actual as of June 30, 2014 | | | | | |
| Original Allocation | \$5,000 | \$35,000 | \$10,000 | \$10,000 | \$60,000 |
| Expenditure as of June 2014 | \$0 | (\$31,153) | \$0 | \$0 | (\$31,153) |
| Total Actual Expenditures and Encumbrances as of June 2014 | \$0 | (\$31,153) | \$0 | \$0 | (\$31,153) |
| Available Funds for FY 2014-2015 | \$5,000 | \$3,847 | \$10,000 | \$10,000 | \$28,847 |
| % Remaining | 100% | 11% | 100% | 100% | 48% |
| II. Actual Expenditures | | | | | |
| Cumulative Expenditures as of Sept 2014 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Remaining | \$5,000 | \$3,847 | \$10,000 | \$10,000 | \$28,847 |
| % Remaining | 100% | 11% | 100% | 100% | 48% |
| III. Projected Expenditures (\$) | | | | | |
| Projected Expenditures in December 2014 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Projected Expenditures in March 2015 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Projected Expenditures in June 2015 | \$0 | \$0 | \$0 | \$0 | \$0 |
| IV. Projected Carry Over (\$) | | | | | |
| Projected Carry Over in December 2015 | \$5,000 | \$3,847 | \$10,000 | \$10,000 | \$28,847 |
| Projected Carry Over in March 2015 | \$5,000 | \$3,847 | \$10,000 | \$10,000 | \$28,847 |
| Projected Carry Over in June 2015 | \$5,000 | \$3,847 | \$10,000 | \$10,000 | \$28,847 |
| V. Projected Carry Over (%) | | | | | |
| Projected Carry Over in December 2014 | 100% | 11% | 100% | 100% | 48% |
| Projected Carry Over in March 2015 | 100% | 11% | 100% | 100% | 48% |
| Projected Carry Over in June 2015 | 100% | 11% | 100% | 100% | 48% |

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IV (B) (3) (a)

**work2future Foundation's
Contract Performance
Dashboard**

[Deferred]

IV (B) (3) (b)

**work2future Foundation's
Fundraising Efforts**

[Discussion]

Foundation Fundraising Efforts Finance Committee

Prepared by David Mirrione and reviewed by Christopher Donnelly on 7NOV14.

- **Fundraising Goal of \$300,000**
 - The Foundation has set a goal of raising \$300,000 by June 30, 2015. The Foundation staff will be presenting a formal fundraising plan to its Board at its November 19th meeting for discussion and approval.

- **Exploring Potential Summer Employment Program with WIB and County**
 - At its November 10th Children, Seniors, and Families Committee Meeting, the County staff will be recommending that the County partner with the WIB and the work2future Foundation to operate a Pilot Summer Employment Program for at-risk youth ages 16-24. If approved by the Committee, the County staff will return with a proposal for the Board of Supervisors for discussion and approval at their December 16th meeting.

- **Homeless Employment Partnership Initiative Retreat**
 - Foundation and work2future WIB staff have worked with the County of Santa Clara's Vocational Services program to launch the Homeless Employment Partnership Initiative. As this program grows, the Foundation plans to raise additional funds to support this program via grants and private donations.

- **On-the-Job Training**
 - Foundation staff is finalizing the processes required for operating the On-the-Job Training program. This includes drafting a new employer agreement, policies, procedures, processes, and the forms needed to document the activities to ensure that the program is operated in accordance with WIA regulations. The tentative launch date for this program is December 1. By having an On-the-Job Training program in place, the Foundation will be positioned advantageously for grant opportunities.

- **Website Development**
 - Foundation staff is currently developing a new website to replace the existing one-page site. This new site will allow potential funders to gain a solid understanding of the activities of the Foundation and will have the ability to accept donations. The site should be live by December 1.

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IV (B) (4)

**Gilroy Job Center
Relocation Status**

[Discussion]

Gilroy Job Center Relocation Status

Prepared by Elizabeth Kaylor and approved by Chris Donnelly on
12NOV14.

- EDD moved out of the Gilroy Job Center in February 2014.
- Staff is investigating Gilroy storefront property in the 1,500 to 2,000 square feet range for use as a service site.
- South County EDD services are now being provided at Morgan Hill's Friendly Inn where work2future provides services.
- The Silicon Valley Independent Living Center moved out of the Gilroy Job Center on September 30, 2014.
- Project Sentinel is currently looking for a less expensive location in the Gilroy area.
- The Director met with Gavilan College regarding potential space use in the Gilroy area, but space will not be available.
- Staff also met with St. Joseph's Family Center, but space for a service site is not available through the Center.
- Based on budget constraints and further guidance from the Board, staff may bring forward a recommendation to vacate the current Gilroy Job Center property by June 30, 2015, in conjunction with a strategy to mitigate service delivery impacts to the South County area.

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IV (B) (5)

**Workforce Investment and
Opportunity Act (WIOA)
Update**

[Discussion]

WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) KEY UPDATES AND IMPLEMENTATION STEPS

Prepared by Elizabeth Kaylor and approved by Chris Donnelly on November 13, 2014

Updates

- October 6, 2014: work2future and the California Workforce Association hosted the first of 10 statewide WIOA overviews to discuss the substantive changes from WIA and substantial revamping of work2future's business model, partnerships, and areas of focus; Additional information was released regarding initial Board certification and recertification every two years based on performance and no fiscal problems.
- October 11, 2014: work2future staff attended Department of Labor Region 6 WIOA Town Hall "listening session" at which staff was afforded the opportunity to provide input regarding the potential strengths and weaknesses of the new workforce legislation

Anticipated Implementation Steps

- December 1, 2014: work2future staff develops internal workplans for future modification in areas such as Job Center operations, board governance, and its service delivery and funding models
- January 18, 2015: Department of Labor (DOL) must publish Notice of Proposed Rulemaking to implement WIOA (No later than 180 days after enactment)
- Prior to July 1, 2015: Board Recertification by CEO
- July 1, 2015: Provisions take effect, unless otherwise noted in the Act (1st full program year (PY) after enactment)
 - WIA State and local plan continue to apply for the 1st full PY
 - Current performance accountability system remains in effect for 1st full PY
- July 22, 2015: Template for performance reports by state, local, and Eligible Training Providers must be developed by Secretary of Labor within 12 months after the date of enactment
 - Eligible Training Providers provisions are implemented by Governors and boards (not later than 12 months after enactment)
- January 22, 2016: DOL must publish Final Rules to implement WIOA (18 months after enactment)

- March 3, 2016: Deadline for State Unified Plan submission (120 days before 2nd full PY)
 - Levels for new performance indicators are negotiated as part of approval of State Unified Plans
- July 1, 2016: One-Stop Infrastructure cost requirements take effect
 - Use of common One-Stop delivery identifier must be implemented (not later than the start of 2nd full PY)

IV (B) (6)

**SB 734 (WIB Funding)
Training Update**

[Discussion]

**ADULT & DISLOCATED WORKERS
 OCTOBER 2014
 TRAINING SUMMARY REPORT**

Prepared by Sangeeta Durrall and Approved by Monique Melchor Nov10, 2014

NUMBER OF JOB SEEKERS TAKING ADVANTAGE OF TRAINING – YTD

| | | ACTUAL | GOALS | % of Goal |
|---|--|-------------|-------------|-------------|
| ETPL (ELIGIBLE TRAINING PROVIDER LIST) | The ETPL provides customer-focused employment training for Adults and Dislocated Workers. Training providers who are eligible to receive Individual Training Accounts (ITAs) through WIA Title I-B funds are listed on the ETPL. ETPL Training Waivers YTD: | 48 | 99 | 48% |
| COHORT TRAINING | Participants enroll in training programs as groups of customers, instead of as isolated individuals, creating enhanced opportunities for networking and peer support. | 21 | 85 | 25% |
| ONLINE TRAINING {Metrix Learning Ed2Go, AVI, Lynda.com} | Hundreds of online courses through 1800+ college and university partners — from Creating Web Pages to Accounting Fundamentals, Speed Spanish to Grant Writing — and everything in between. Course library contains thousands of desktop computing, business, information technology and health-related topics from industry-leading providers. | 392 | 1500 | 26% |
| OJT (ON THE JOB TRAINING) | The OJT Program provides reimbursements to employers to help compensate for the costs associated with skills upgrade training for newly hired, full-time employees. | 0 | 22 | 0% |
| 12+ HOUR CERTIFICATE WORKSHOPS | Workshops 12 hours or longer that result in a certificate (e.g., Microsoft Office Suite 2010, QuickBooks 2013, Project Management Fundamentals, MS Project 2007). | 2753 | 5000 | 55% |
| LEVERAGED FUNDS/ PARTNER AGENCY TRAINING | Participants enrolled in partner agencies that qualify for leveraged funds under SB 734 (e.g., Adult Education, Job Corps, TAA, Co-Enrolled Youth, Veterans, OJT, etc.). | 3 | 206 | 1.4% |
| LEVERAGED FUNDS | \$16,616 | | | |
| GRAND TOTAL | | 3217 | | |



ADULT PROGRAM TRAINING REPORT

OCTOBER, 2014

| | ETPL – ADULT | | ETPL – DW | | WAIVER – ADULT | | WAIVER – DW | | ETPL TOTAL | COHORT-ADULT | | COHORT-DW | | COHORT TOTAL | OJT-ADULT | | OJT-DW | | OJT TOTAL | YTD TRAINING TOTALS |
|----------------|------------------|-----------|------------------|-----------|----------------|----------|-------------|----------|------------------|------------------|-----------|------------------|----------|------------------|-----------------|----------|-----------------|----------|------------------|------------------------|
| | Forecast | Actual | Forecast | Actual | Forecast | Actual | Forecast | Actual | | Forecast | Actual | Forecast | Actual | | Forecast | Actual | Forecast | Actual | | |
| Jul-14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$0 | 0 | 0 | 0 | 0 | \$0 | 0 | 0 | 0 | 0 | \$0 | \$0 |
| Aug-14 | 0 | 11 | 0 | 3 | 0 | 0 | 0 | 0 | \$40,345 | 0 | 0 | 0 | 0 | \$0 | 0 | 0 | 0 | 0 | \$0 | \$40,345 |
| Sep-14 | 7 | 8 | 5 | 11 | 0 | | 0 | | \$53,775 | 0 | 12 | 0 | 9 | \$73,500 | 0 | 0 | 0 | 0 | \$0 | \$127,275 |
| Oct-14 | 7 | 7 | 5 | 8 | 0 | | 0 | | \$44,995 | 0 | | 9 | | \$0 | 0 | 0 | 0 | 0 | \$0 | \$44,995 |
| Nov-14 | 7 | | 5 | | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | \$0 |
| Dec-14 | 7 | | 5 | | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | \$0 |
| Jan-15 | 7 | | 4 | | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | \$0 |
| Feb-15 | 7 | | 4 | | 0 | | 0 | | \$0 | 0 | | 0 | | \$0 | 2 | | 2 | | \$0 | \$0 |
| Mar-15 | 7 | | 4 | | 0 | | 0 | | \$0 | 15 | | 5 | | \$0 | 3 | | 2 | | \$0 | \$0 |
| Apr-15 | 7 | | 3 | | 0 | | 0 | | \$0 | 16 | | 6 | | \$0 | 3 | | 2 | | \$0 | \$0 |
| May-15 | 7 | | 1 | | 0 | | 0 | | \$0 | 15 | | 6 | | \$0 | 2 | | 2 | | \$0 | \$0 |
| Jun-15 | 0 | | 0 | | 0 | | 0 | | \$0 | 5 | | 8 | | \$0 | 2 | | 2 | | \$0 | \$0 |
| TOTAL | 63 | 26 | 36 | 22 | 0 | 0 | 0 | 0 | 0 | 51 | 12 | 34 | 9 | 21 | 12 | 0 | 10 | 0 | 0 | 0 |
| BUDGET | \$178,000 | | \$118,000 | | \$0 | | \$0 | | \$296,000 | \$178,000 | | \$118,000 | | \$296,000 | \$50,000 | | \$50,000 | | \$117,858 | \$709,858 |
| SPENT | \$74,320 | | \$64,795 | | \$0 | | \$0 | | \$139,115 | \$43,000 | | \$30,500 | | \$73,500 | \$0 | | \$0 | | \$0 | \$212,615 |
| BALANCE | \$103,680 | | \$53,205 | | \$0 | | \$0 | | \$156,885 | \$135,000 | | \$87,500 | | \$222,500 | \$50,000 | | \$50,000 | | \$117,858 | \$497,243 |

| LEVERAGED FUNDS - ADULT PROGRAM - OCTOBER, 2014 | | | | | | |
|--|--|---------------------------|------------------|-------------------------|-------------------|------------------------|
| TYPE | PROCESS | CUSTOMERS FORECAST | FORECAST | CUSTOMERS ACTUAL | ACTUAL YTD | FY 13-14 Actual |
| Youth Co-enrollment | Youth customers co-enrolled into Adult Program & are provided Metrix Learning. | 150 | \$150,000 | 0 | \$0 | \$70,995 |
| Trade Adjustment Assistannce (TAA) | Coordinate w/ EDD on a monthly & quarterly basis. | 30 | \$60,000 | 0 | \$0 | \$122,201 |
| On-the-Job Training (OJT) | Employer paid portion of On-The-Job Training Program. | 16 | \$35,000 | 0 | \$0 | \$633 |
| Pell Grants | Coordinate w/ pell grant eligible ETPL providers for customers in training. | 10 | \$40,000 | 3 | \$16,616 | \$30,724 |
| *5% GOAL TOTALS | | 206 | \$285,000 | 3 | \$16,616 | \$224,553 |

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IV (B) (7)

**Work2future
Performance update**

[Action]

work2future
WIA Performance Outcomes Report
 (Run date: 11/3/14)

PY 2013 - 2014 (4th Quarter Final)

Prepared by Meredith Studebaker and Approved by Monique Melchor on November 4, 2014

| | Perf. Goals /a | Actual | SuccRate |
|--|---------------------|----------|----------|
| ADULT and ARRA ADULT | | | |
| ACE Entered Employment Rate | 50.7% | 53.30% | 105.13% |
| ACA Average Earnings | \$13,724 | \$15,042 | 109.61% |
| ACR Employment Retention Rate | 78.7% | 82.10% | 104.32% |
| DISLOCATED WORKERS and ARRA DWP | | | |
| DCE Entered Employment Rate | 57.6% | 60.60% | 105.21% |
| DCA Average Earnings | \$19,460 | \$22,193 | 114.04% |
| DCR Employment Retention Rate | 82.4% | 84.70% | 102.79% |
| YOUTH and ARRA YOUTH | | | |
| YCP Placement in Employment or Education | 67.0% | 65.10% | 97.16% |
| YCD Attainment of a Degree or Certificate | 41.4% | 79.00% | 190.82% |
| YCL Literacy and Numeracy Gains | 60.5% | 63.30% | 104.63% |
| Overall Performance - Local Target (100%) | Exceeded 8/9 | | |
| Overall Performance - State Target (80%) | Exceeded 9/9 | | |
| Projected Overall Performance - Local Target (100%) | Exceed 8/9 | | |
| Projected Overall Performance - State Target (80%) | Exceed 9/9 | | |

/a - Negotiated Performance Levels

work2future
WIA Performance Outcomes Report
 (Run date: 11/4/14)

PY 2014 - 2015 (1st Quarter - With Base Wage)

Prepared by Meredith Studebaker and Approved by Monique Melchor on November 4, 2014

| | Perf. Goals /a | Actual | SuccRate |
|--|---------------------|----------|----------|
| ADULT and ARRA ADULT | | | |
| ACE Entered Employment Rate | 51.5% | 51.29% | 99.59% |
| ACA Average Earnings | \$14,200 | \$15,756 | 110.96% |
| ACR Employment Retention Rate | 79.0% | 78.57% | 99.46% |
| DISLOCATED WORKERS and ARRA DWP | | | |
| DCE Entered Employment Rate | 58.5% | 56.19% | 96.05% |
| DCA Average Earnings | \$20,100 | \$23,686 | 117.84% |
| DCR Employment Retention Rate | 83.0% | 82.37% | 99.24% |
| YOUTH and ARRA YOUTH | | | |
| YCP Placement in Employment or Education | 60.0% | 73.91% | 123.18% |
| YCD Attainment of a Degree or Certificate | 64.0% | 91.67% | 143.23% |
| YCL Literacy and Numeracy Gains | 63.5% | 75.68% | 119.18% |
| Overall Performance - Local Target (100%) | Exceeded 5/9 | | |
| Overall Performance - State Target (80%) | Exceeded 9/9 | | |
| Projected Overall Performance - Local Target (100%) | Exceed 8/9 | | |
| Projected Overall Performance - State Target (80%) | Exceed 9/9 | | |

/a - Negotiated Performance Levels

IV (C)
Set Items for Next Agenda

IV (D)
Announcements

IV (E)
Next Meeting

The next Finance Committee meeting
is scheduled for **March 11, 2015** at 3:00 p.m.
Business Services & Administration Office
5730 Chambertin Drive
San Jose, CA 95118
408-794-1100

V
Public Comment

VI
Adjournment