



BOARD AGENDA

Thursday, September 15, 2011

11:30 a.m. – 1:30 p.m.

Almaden Winery Community Center
5730 Chambertin Drive
San Jose, CA 95118
(408) 794-1200

www.work2future.biz

Benny Boveda, Chair
Joseph Flynn, Vice Chair
Christopher Donnelly, Secretary
Elizabeth Kaylor, Board Staff

The City of San Jose is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public. For additional information, please view:

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

For questions regarding this agenda, please call Elizabeth Kaylor at (408) 794.1125. 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.

WORK2FUTURE BOARD MEMBERS

Name/Company	Executive	Finance	Operations	Youth
Aceves, Ralph <i>Ovalpath, Inc.</i>				
Amador, Rose <i>Center for Training and Careers</i>			VC	
Boland, Denise <i>Social Services Agency, County of Santa Clara</i>				M
Boveda, Benny <i>Target</i>	C			M
Chrisman, Brian <i>Borgata Recycling</i>			M	
Cox, Barbara <i>CA LMCC/IBEW-NECA</i>				
Dittrick, Janeen <i>Employment Development Department</i>			M	
Estill, Jack <i>Appian Engineering, Inc.</i>		M		
Fink, Tom <i>Amalgamated Transit Union Local 265</i>				
Flynn, Joseph <i>Lavante</i>	VC	C		
Friberg, Richard <i>Grow Strategically</i>			M	
Gilroy, Leslie <i>CSDC/San Jose Job Corps</i>				
Gonzalez, Jose <i>Infolink</i>				
Green, Scott <i>City of San Jose Economic Development</i>				
Guthrie, Bill <i>United Association Local 393</i>				
Koepp-Baker, Susan <i>Enviro-Tech Services</i>		VC		
Le, Van <i>State Farm Insurance</i>			M	M
Ledet, Glenn <i>California Waste Solutions</i>				M
Lillis, Marcia <i>National First Credit Union</i>				
London, David <i>eBay, Inc.</i>				
Maddex, Rocky <i>Adava, LLC</i>		M		
Matuszak, David				M

Name/Company	Executive	Finance	Operations	Youth
<i>Santa Clara County Regional Occupational Pgm.</i>				
Minkowski, Oliver <i>BrillTX, SiliconFrench</i>				
Moore, Pamela <i>Department of Rehabilitation</i>			M	
Nagaraj, Ananth <i>Google</i>				
Navarro, Matt <i>Staples, Inc.</i>				
Novak, Dr. Mark <i>San Jose State University</i>	M		C	
Perez, Rachel <i>Gavilan Community College</i>				
Preminger, Steve <i>Working Partnerships USA</i>	M			
Said, Rashad <i>Advanced Vocational Institute</i>	M		M	
Sapien, Hermelinda <i>Center for Employment Training</i>		M		
Sellers, Dani <i>Prudential Financial</i>		M		
Sidher, Sajeev <i>Deloitte & Touche, LLP</i>				
Torres, Alex <i>Wells Fargo</i>				
Tran, Lloyd <i>International Association of Nanotechnology</i>				
VanHuystee, Bryan <i>Chase</i>	M			C
Villalovoz, Henri <i>Council on Aging Silicon Valley</i>				
Wright, Erin <i>Safeway, Inc.</i>				M
Zavala, Jorge <i>Technology Business Accelerator</i>				

M = Committee Member
VC = Vice Chair
C = Chair

NOTICE TO THE PUBLIC

Good morning; my name is Joe Flynn, and in my capacity as Vice-Chair of work²future I would like to welcome you to the Board meeting of September 15, 2011.

Members of the public who wish to address the Board should identify themselves and state their addresses for the record. You should complete a blue Comment Card located near the door, prior to making comments, and hand to any work²future staff member.

The procedure for this meeting is as follows:

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

BOARD OF DIRECTORS
September 15, 2011
11:30 a.m. – 1:30 p.m.
ORDER OF BUSINESS

I. QUORUM VERIFICATION

II. OPENING REMARKS

III. CONSENT ITEMS

{Action}

5 Min.

Recommendations:

- (a) Accept Grant Report of September 1, 2011.
- (b) Accept Integration and Training Report of September 6, 2011. **[Deferred]**
- (c) Accept the July Continuous Quality Improvement Report of August 12, 2011. **[Deferred]**
- (d) Accept BOS Report of September 6, 2011.
- (e) Accept July Labor Market Information Report of September 1, 2011.
- (f) Accept FY 2011-2012 Discretionary Grant Spending Plans as approved at the Executive Committee's August 18, 2011 meeting and as presented for approval at the Finance Committee's September 14, 2011 meeting.
- (g) Accept Additional Savings Spending Plan for FY 2010-2011 savings as presented for approval at the Finance Committee's September 14, 2011 meeting.

IV. AGENDA ITEMS

A. Old Business

1. **Minutes Approval** **{Action}**

5 Min.

Approval of the June 16, 2011 Board Meeting Minutes.

B. New Business

1. **Featured Board Member** **{Information}**

5 Min.

A selected Board member will provide a brief presentation regarding the member's organization.

2. **Board Members' Experiences as Silicon Valley Entrepreneurs** **{Discussion}**

30 Min.

Scott Green, Facilitator

A panel of selected Board Members will share their experiences as entrepreneurs.

3. **Social Media-Based Training Initiative** **{Discussion}**

20 Min.

Alexis Ringwald, Author/Entrepreneur, Clean Energy and Education

A presentation will be provided regarding a new mode of workforce training.

4. **Program Year 2011-2012 Local Plan Modification** **{Action}**

10 Min.

Elizabeth Kaylor, Senior Analyst

Approval of work2future's responses to PY 2011-2012 plan modification questions.

- 5. Information and Communication Technologies Study** **{Discussion}** 30 Min.
Phil Jordan, BW Research & Green LMI

A presentation will be provided on a study of the economic and workforce implications of high tech.

- 6. BusinessOwnerSpace.com Shop San Jose Campaign** **{Discussion}** 5 Min.
BJ Sims, Business Services Manager & Dhez Woodworth, Economic Development Officer, Business Services

A discussion will take place regarding an additional service enhancement for BOS, centering upon a Shop San Jose Campaign to increase demand for San Jose's goods and services.

- C. Set Items for Next Agenda** 1 Min.

- D. Announcements** 1 Min.

E. Next Meeting

The next Board of Directors' meeting is scheduled to take place on December 8, 2011 at 11:30 a.m. at the Almaden Winery Community Center, 5730 Chambertin Drive, San Jose, CA 95118.

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 Almaden Winery Community Center, 5730 Chambertin Drive, San Jose, CA 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, Redevelopment Agency Board, their 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

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

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.

3. Addressing the Council, Redevelopment Agency Board, 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

- (a) Accept Grant Report of September 1, 2011.
- (b) Accept Integration and Training Report of September 6, 2011.
- (c) Accept the July Continuous Quality Improvement Report of August 12, 2011.
- (d) Accept BOS Report of September 6, 2011.
- (e) Accept July Labor Market Information Report of September 1, 2011.
- (f) Accept FY 2011-2012 Discretionary Grant Spending Plans as approved at the Executive Committee's August 18, 2011 meeting and as presented for approval at the Finance Committee's September 14, 2011 meeting.
- (g) Accept Additional Savings Spending Plan for FY 2010-2011 savings as presented for approval at the Finance Committee's September 14, 2011 meeting.

[Action]



2010-2011 GRANTS REPORT

9/1/2011 <u>Contact</u>	<u>Grants Funding Source/Sponsor</u>	<u>Due Date Submitted</u>	<u>Award Date TBD</u>	<u>Name</u>	<u>work2future Funding Request</u>	<u>Status</u>	<u>Lead/Partners</u>
PENDING							
1 Lawrence/Javier	EDD-25% DW Additional Assistance	Pending	TBD	Cisco Systems Layoffs	\$3,000,000	Pending	work2future
2 Javier	EDD-DOL H1B Statewide Concept	9/9/2011	TBD	H1B Skills Accelerator Project	\$1,000,000	Pending	NOVA/work2future
SUBMITTED							
3 Lawrence/Javier	Department of Labor	6/2/2011	2011	H1B Training Grant	\$5,000,000	Submitted	NOVA/work2future
4 Chris	*Federal Earmark/Senator	11/1/2010	2010	Green Jobs Training	\$450,000	Submitted	work2future
5 Jeff	*Federal Earmark/Senator Boxer	2010	2011	Green HC Training Program	\$400,000	Submitted	work2future
NOTE	*Senate Appropriations Committee Chairman Daniel Inouye's announced a 2-year earmark moratorium, for FY2011 and FY2012, as the Committee works towards reform efforts. we won't have a clearer picture until after the President's budget release and Congress determines what they're going to do for the remainder of FY2011 by early March.						
AWARDED							
6 Chris	EDD--25%	9/30/2010	6/1/2011	Additional Assistance Dislocated Workers	\$985,000	Awarded	work2future
7 BJ	Wells Fargo Bank	6/1/2010	6/1/2011	BOS	\$5,000	Awarded	work2future
8 Chris	EDD--25%	6/2/2010	7/1/2010	Additional Assistance Public Sector	\$975,000	Awarded	work2future
9 Chris	EDD	6/2/2010	7/1/2010	Additional Assistance NUMMI	\$970,000	Awarded	work2future
10 Chris	NEG	6/2/2010	7/1/2010	Emergency Numi	\$2,006,901	Awarded	work2future
NOT AWARDED							
11 Richard	USDOL-ETA	3/1/2011	6/1/2011	Civic Justice Corp Youth Juvenile offenders	\$1,500,000	Submitted	work2future
12 Lawrence	EDD	6/1/2010	8/1/2010	Green Innovations Challenge	\$4,000,000	Not awarded	work2future
13 Javier	US Dept of HHS	8/5/2010	12/1/2010	Health Opportunity Grant TANF (5Yrs)	\$1,400,000	Submitted	work2future/NOVA
14 Jeff/Scott	EDA (e-ric)	9/1/2010	12/1/2010	Energy Efficiency Training	\$2,500,000	Submitted	CSJ-SF-CET

BOS Tracking Report Launch YTD

	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
Website Number	4669	4071	4754	5115	3202	3687	3603	4389	3943	4496	5635	3329	204546
Unique	3564	3266	3677	1566	2518	2929	2856	3564	3145	3535	4430	2646	153641

Top Most Popular Linked Sites

- 1 Alliance 4 CD
- 2 SVSCORE
- 3 SVSBDC, wells Fargo, Women's Initiative
- 4 PCV,Hispanic, EBC, Anewamerica

QLBS Assessments	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
	2	2	6	1	3	2	2	0	1	0	0	1	152

Online Registrations	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
	23	17	20	12	14	18	17	24	21	29	22	67	1030

Toll Free Calls	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
	23	12	20	27	11	29	45	40	68	95	55	27	1271

Partner Services	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
	1647	1359	3713	651	853	187	1486	1359	811	2805	800	1200	45705

Vietnamese Website Clients	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
	417	280	498	292	466	503	416	509	190	359	413	N/A	9045

Most Viewed Page Business Plan Template

Spanish Website Clients	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct-07-YTD
	67	80	70	71	41	49	66	66	55	108	61	N/A	1719

Most Viewed Page Business Licenses

Grand Total Oct 07 -YTD

250251

Workforce Intelligence Report



August 2011

THE ECONOMIC SITUATION

August 2011

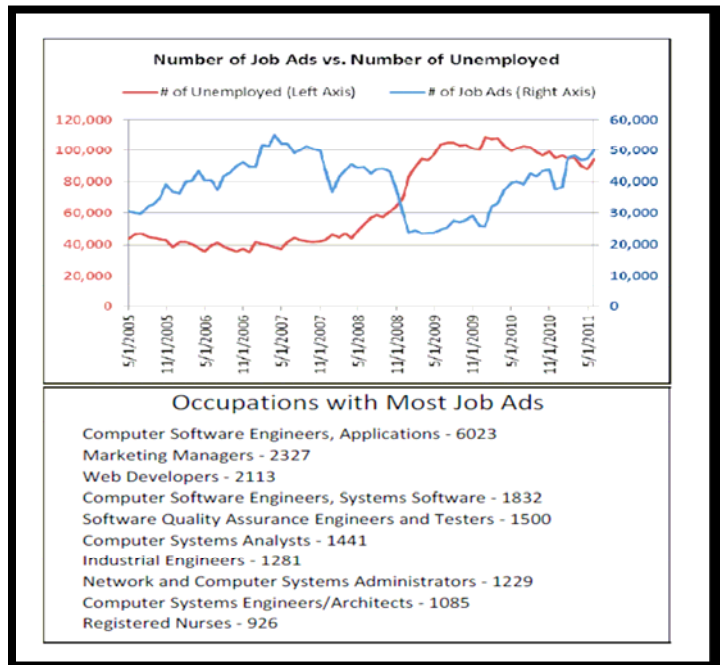
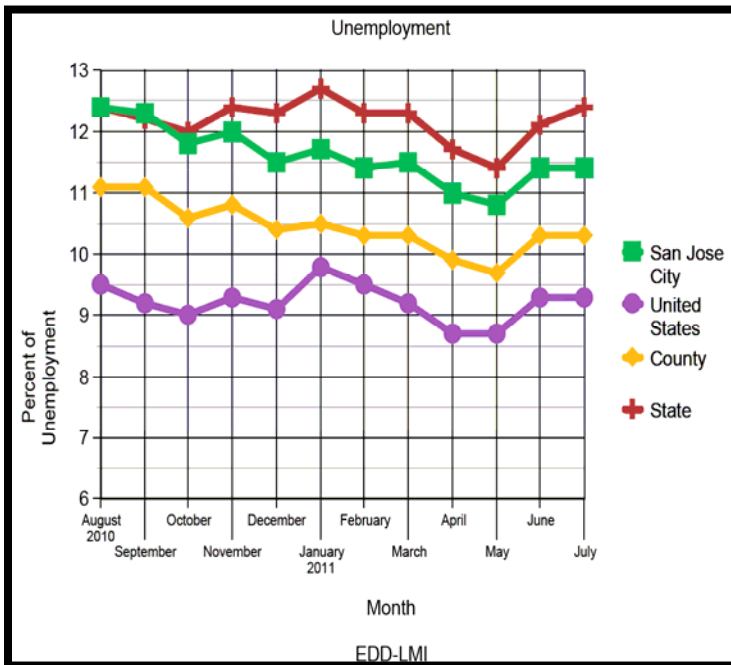
The Changing Labor Market

SAN JOSE-SUNNYVALE-SANTA CLARA METROPOLITAN STATISTICAL AREA

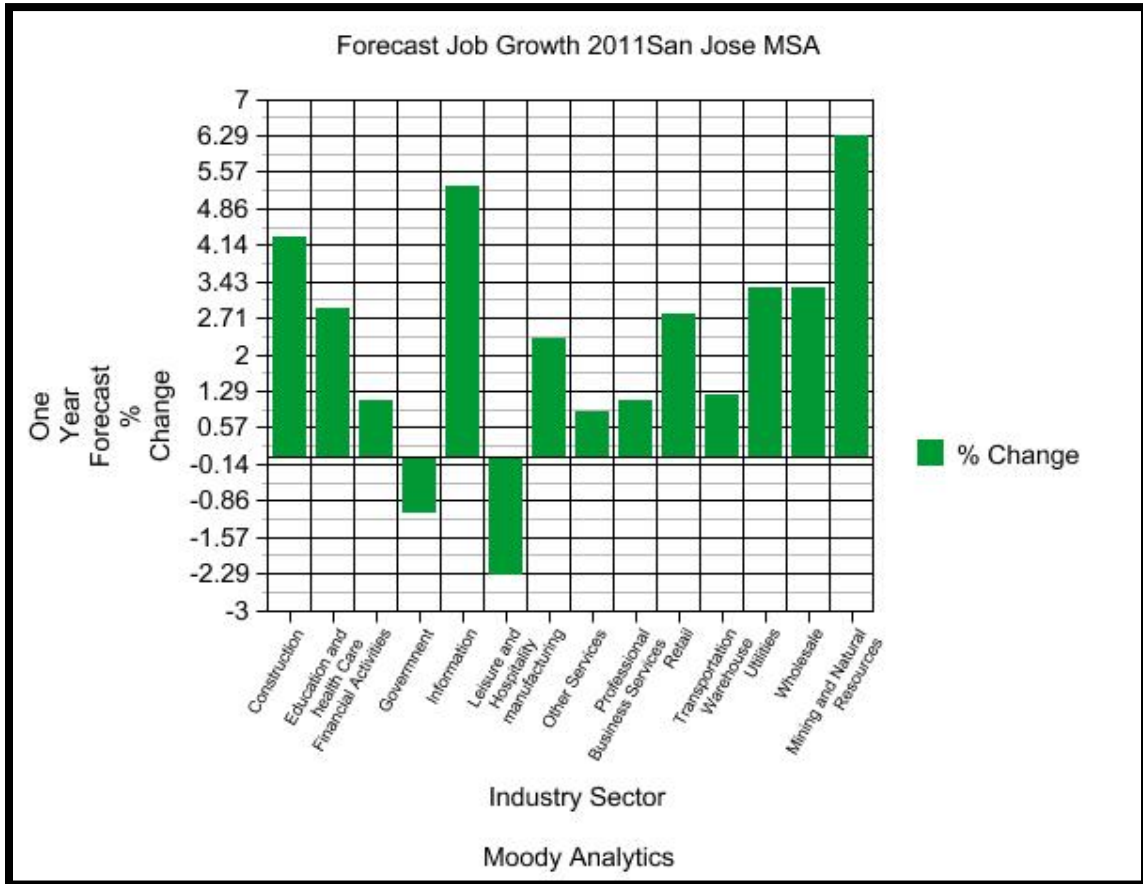
The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 10.4 percent in July 2011, unchanged from a revised 10.4 percent in June 2011, and below the year-ago estimate of 11.4 percent. This compares with an unadjusted unemployment rate of 12.4 percent for California and 9.3 percent for the nation during the same period. The unemployment rate was 14.4 percent in San Benito County and 10.3 percent in Santa Clara County. The total number of unemployed for the City of San Jose was (53,200) a 1.0% decrease over last year (57,900)

- According to a recent study the number of unemployed and discouraged job seekers and part-time workers is estimated at 23.4% for the City of San Jose.

The good news is that we are seeing an increase in the number of job ads in the metropolitan area with occupations in information technology leading the way. See chart



Labor Market



The top 25 direct employers over the past 90 days are listed below, along with the percentage change from 2010. Seven of these employers experience triple-digit growth in hiring demand over 2010.

	Time-Frame	Prior Year
Apple	1,318	+40.5%
Google Inc.	1,050	+58.1%
Yahoo! Inc	883	-1.0%
eBay	558	+10.3%
Stanford University	517	-10.1%
Hewlett-Packard Company	490	+159.3%
Cisco	473	-26.7%
Nvidia Corporation	408	+358.4%
Kaiser Permanente	382	+38.4%
Cisco Systems	341	+32.2%
Broadcom	321	+64.6%
Microsoft Corporation	260	+47.7%
Applied Materials	259	+149.0%
Wells Fargo	240	+120.2%
Sandisk	236	+60.5%
Bank Of America	235	+37.4%
HP	231	-4.5%
VMware	231	+90.9%
NetApp	203	-42.5%
LinkedIn	181	+79.2%
Palm	166	+186.2%
Adobe Systems	165	-7.8%
McAfee	158	+143.1%
KLA-Tencor Corporation	155	+355.9%
Netflix	155	-13.4%

News Clips

News Clips



http://www.marketwatch.com/story/changes-in-the-labor-market-leads-to-increase-in-free-agent-workforce-according-to-kelly-services-inc-2011-08-15?reflink=MW_news_stmp

Aug. 15, 2011, 9:14 a.m. EDT

Changes in the Labor Market Leads to Increase in Free Agent Workforce, According to Kelly Services, Inc.



TROY, MI, Aug 15, 2011 (MARKETWIRE via COMTEX) -- Kelly Services, Inc. **KELYA -1.20% KELYB +16.84%** - Searching for employment? You may have to look no further than your laptop. Today, more than four in 10 employees classify themselves as free agents compared to 26 percent in 2008 (the last year the survey was conducted). Free agents are defined as individuals who consult, perform temporary, freelance or contract work, or have their own business. The findings are part of the Kelly Services(R) 2011 Free Agent Survey. Kelly Services has been conducting research around the free agent workforce for more than a decade. The most recent survey obtained the views of U.S. adults, ages 18 to 75, active in the nation's workforce.

The 2011 Free Agent survey found that there is a significant rise in the country's free agent workforce. This jump is attributable to several underlying changes, including:

- Economic conditions
- Aging workforce
- Attitudinal shifts

"Today's workforce desire more flexibility and freedom in the way in which they work," said Carl Camden, President and Chief Executive Officer, Kelly Services. "If companies are interested in accessing the best talent and succeeding in this new workforce paradigm, they must be ready and willing to consider a wide array of worker populations."

For more insight go to:

http://www.marketwatch.com/story/changes-in-the-labor-market-leads-to-increase-in-free-agent-workforce-according-to-kelly-services-inc-2011-08-15?reflink=MW_news_stmp

WHAT'S POWERING THE FREE AGENCY SURGE?

As long-term commitments to employers wane, careers built on flexibility are gaining new ground.

According to the research results, close to half of all workers in the U.S. (44%) now classify themselves as free agents. This is a 70% increase over the past three years—up from just 26% in 2008.

Growth such as this suggests two things: first, that free agency is becoming more accessible and more attractive to U.S. workers, and second, that the amount of work available to free agents is also increasing. There are many underlying factors that are contributing to this increase, but among the most significant are:

- **An aging workforce:** Since 1980, the percentage of U.S. workers age 45 and above has risen to more than 44%, a rise of 2 percentage points in the past three years. Seeking greater freedom and flexibility, mature workers are more likely to be free agents than their younger counterparts.
- **Changing attitudes:** The surge in free agency is also reflective of a shift in worker attitudes. Workers are increasingly drawn to the opportunities and advantages offered by the free agent lifestyle—flexibility in work options, freedom to choose interesting or rewarding work, increased independence and control, and entrepreneurial empowerment.
- **Economic downturn:** The impact of economic conditions has forced workers and employers to consider more flexible arrangements. Compared with the 2008 survey results, "terminations/layoffs from previous employment" and "the inability to find work elsewhere" were cited twice as often as the primary reasons for choosing free agency over traditional employment.

As the labor market recovers and the nation returns to more stable employment conditions, the proportion of free agents in the U.S. working population could move



Current Industry Sector Studies

Conducted for work2future and NOVA
March 2011

[bw] RESEARCH PARTNERSHIP | GREEN LMI | CCSCE

Emerging Industry and Technology Sectors in Silicon Valley's Green Economy: Workforce Implications
Conducted for work2future and NOVA
March 2011

EXECUTIVE SUMMARY

An innovation epicenter for more than 50 years, Silicon Valley is poised to be a major player in the green economy. work2future and NOVA commissioned this study to examine the workforce and economic development opportunities created by the region's green economy, in five key "emerging green" sectors.

THE EMERGING GREEN ECONOMY IN SILICON VALLEY

The researchers began by distinguishing "emerging green" companies from traditional or established green firms. Where established green firms use mature technologies and processes that have already been developed, emerging green firms are developing new technologies and producing the next generation of green products and services.

Researchers identified the five industry sectors where emerging green employers are most likely to be found: (1) energy, (2) materials & manufacturing, (3) specialized suppliers & supporting industries, (4) transportation, and (5) water. Research focused on the green employers within those sectors, defined as those firms that are involved in selling green products or services, working to develop green products or services, or directly supporting the development or production of green products or services.

When asked about challenges they face in building their workforces, 46 percent of the green employers reported difficulty recruiting enough non-entry-level employees with adequate work experience. Ninety-one percent of green firms say they currently employ or expect to employ individuals with less than a Master's degree in the next 12-24 months, and four in ten employ or expect to hire sales personnel, operations and maintenance technicians, and customer service representatives.

Employer profiles

Ten of the emerging green employers were selected for more in-depth interviews designed to give better insight into their industries and their workforce needs. This sample of the emerging green employers includes firms from varying lifecycle stages, of various sizes, and from diverse locations within Silicon Valley. Most of the firms are involved in manufacturing and R&D or design. All are subjects of profiles contained in the report.

Researchers found the profiled companies have very strong hiring expectations, and younger companies and start-ups generally expect their workforces to at least double in size each year. When asked what they're looking for in employees, the firms report that industry experience and passion for the relevant technologies is often more important than advanced degrees or specific training. With experience so highly valued, it is perhaps not surprising that the firms also report very few entry-level jobs will be available.

CONCLUSIONS AND RECOMMENDATIONS

Based on these findings, the research team was able to reach five specific conclusions and make five recommendations.

Conclusions

- 1) Employers in Silicon Valley's five emerging green sectors expect to increase their ranks by approximately 10 percent in the next 12 months, meaning approximately 1,300 new jobs will be created every twelve months. This number does not include replacement jobs, which should also create significant employment opportunities.
- 2) Silicon Valley's emerging green occupational profile is almost entirely made up of high- and mid-skill occupations, with virtually no low skill/low wage jobs available.
- 3) Employment at emerging green firms is distributed broadly across technology areas and throughout the value chain, meaning that generic green training has little value and there are few pockets of large employment demand.
- 4) Silicon Valley emerging green employers are more likely to report difficulty finding workers with experience and an understanding of the industry than they are to report difficulty finding workers with the right education or training. And training programs able to prepare workers for entry- and mid-level jobs in the most desired occupations are available and largely uncongested.
- 5) Because the green economy is in flux, occupational forecasting is challenging and less reliable than forecasting in other more mature industries.

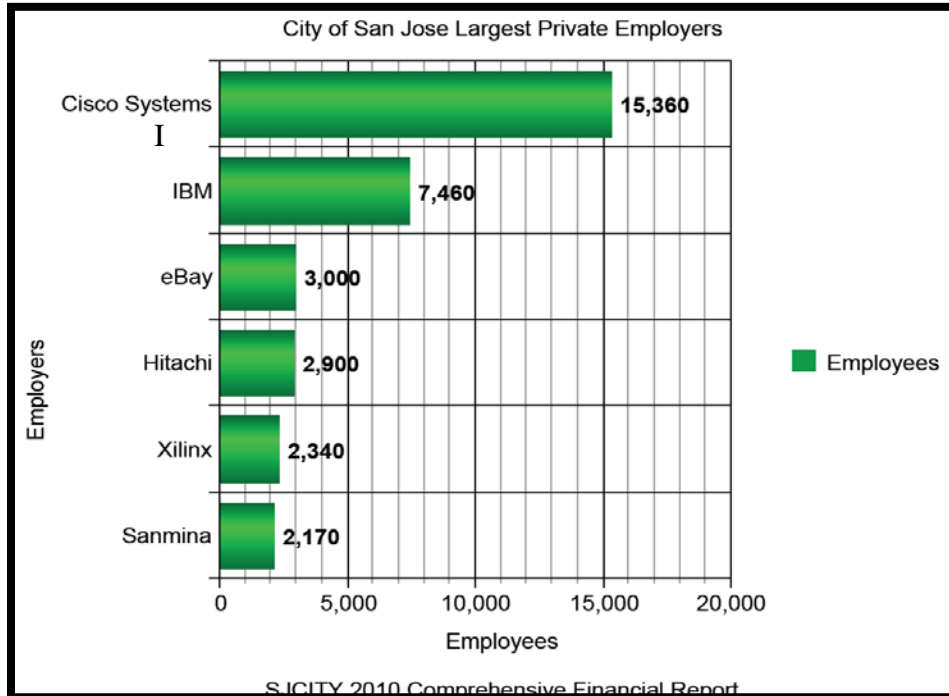
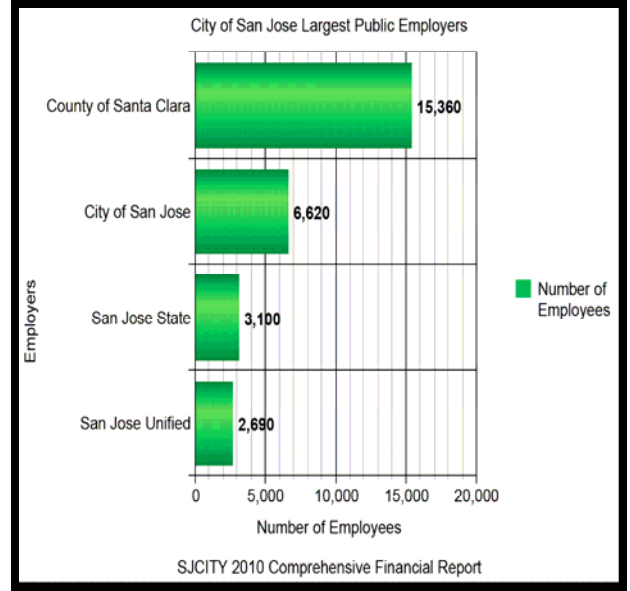
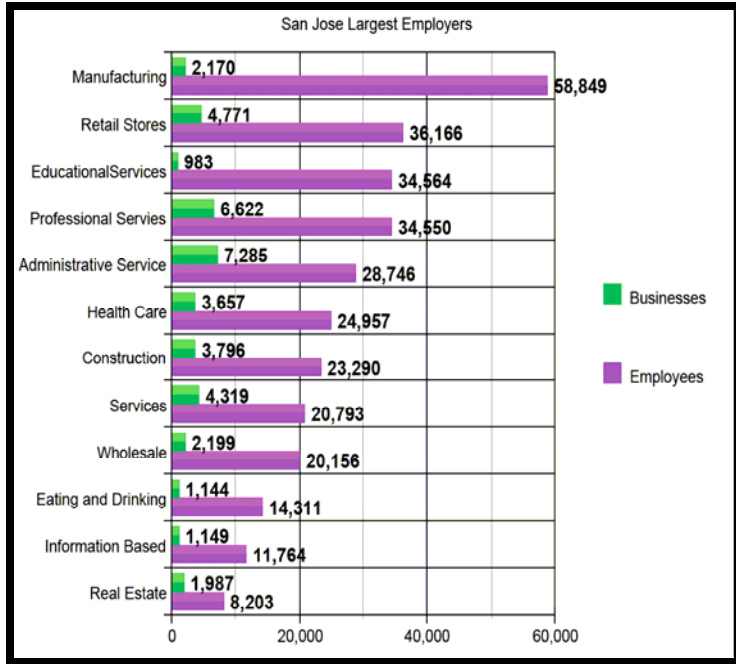
Recommendations

- 1) Workforce training should not focus on "green" skills and experience, but should focus on preparing workers for careers in one of the five emerging green sectors or in one of the broad occupational categories that were identified in the research.
- 2) Because Silicon Valley's emerging green sectors are still evolving, a system should be developed to continually gather information on the sectors' workforce needs. This system should involve developing relationships with key employers, developing metrics and indicators that reveal employment changes in these emerging green sectors and better tracking and assessment of the emerging green firms that have been identified in this study.
- 3) New training models should help job seekers gain industry experience and a deeper understanding of the industries and the technologies that make up Silicon Valley's emerging green economy.
- 4) Workforce investment boards should focus on meeting specific workforce needs by providing more varied and specialized training to smaller cohorts of trainees.
- 5) Because the region's specialized suppliers & support industries are a critically important but frequently overlooked part of Silicon Valley's emerging green economy—providing more than one-third of all employment in the five focus sectors—additional research should be performed to better understand the evolving workforce and training needs of this sector and its role in other emerging aspects of Silicon Valley's economy.

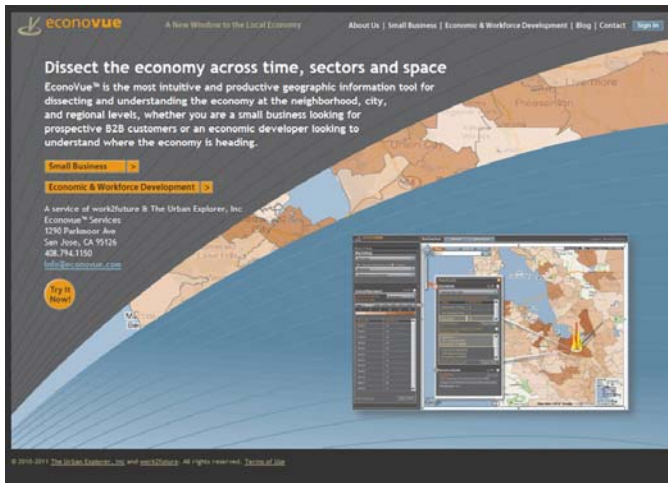
To download the complete report go to www.work2future.biz and click on the Labor Market tab.

San Jose Economic Snapshots

City of San Jose Largest Number of Employees by Sector



EconoVue



Each quarter EconoVue Services publishes an Economic and Labor Market Snapshot of the San Jose and the Santa Clara Area, using the most current data from EconoVue databases. To view a copy of the San Jose Snapshot go to <http://www.econovue.com/blog.php>

San Jose LWIA Snapshot Snapshot: Overview

Economic Outlook

Real personal income in the San Jose MSA grew by 0.8% in 2010 and will jump by 5.1% in 2011. Robust growth will continue through 2015, growing by \$11 billion - an average of 3.4% per year. Job losses continued in 2010 as industry eliminated jobs at a 0.4% rate.

Overall job growth returned in the third quarter of 2010, with growth of an annualized 1.1% of total nonfarm employment. Payrolls are expected to rise significantly throughout 2011, increasing by 2.1%. Professional & Business Services, Information, Construction, and Manufacturing will lead job growth in 2011 and 2012. Job growth will average 2.1% per annum between 2012 and 2015.

The San Jose MSA's population grew by 1.3% in 2010 and will grow by the same amount in 2011. Over the next four years, population growth will average 1.1% per annum. The unemployment rate peaked in 2010 at 11.3% and will fall to 10% in 2011 following strong job growth.

Robust job growth and slowing population growth will gradually shrink unemployment, dropping the rate to 6.4% in 2015.

Silicon Valley is seeing a tech induced job recovery of late, with the California Employment Development Department noting that every major industry except construction added jobs in March and April 2011.

Social media firms such as Facebook, deal sites like Groupon, Internet giants like Google and local VCs are being credited with the job boon, with renewed hiring enthusiasm in the area, helping to push the valley's job growth past California's other top 10 metropolitan areas.

Increasing global demand for mobile devices such as smartphones and tablets is also having an effect on the job market, with many firms increasing their job openings for hardware and software engineers.

According to statistics pulled from the Bureau of Labor Statistics (BLS) the valley was also the second most active area in California in terms of creating jobs in 2010, with the San Jose-Sunnyvale-Santa Clara area alone creating 14,600 jobs.

Approximately 30% of the valley's private workforce is employed in the tech industry.

Source: EconoVue Services 5-2011-EDD, California Economic Forecast 5-2011



EconoVue is a service of work2future and The Urban Explorer, Inc.
415.362.4122 | info@econovue.com | www.econovue.com

COMING EVENTS

Vietnamese Moon Festival - September 10, 10 am to 10 pm - <http://www.moonfestivalsj.com/> work2future will be attending the 20th annual moon festival at Independence High School. The focus will be on providing information for job-seekers. The group hopes to draw 25,000 attendees this year and is encouraging greater participation from the non-Vietnamese community.

Day in the Park - October 1st, 10 am to 3 pm - <http://www.sanjoseca.gov/district8/dayinthepark.asp>
Between 3,000 and 5,000 Evergreen area residents will be drawn to the Annual Day in the Park on October 1st at Lake Cunningham Regional Park. work2future will have presence along with Shop San Jose and BusinessOwnerSpace.com

Festiv'ALL/ Shop San Jose - October 12, 5 pm to 8 pm - Over 2,000 businesses are anticipated at this annual business to business networking event. This year will also include the Kickoff of the consumer side of the Shop San Jose Initiative (www.shopsanjose.biz) and will be held at the San Jose Convention Center. The event is by invitation from regional business association and assistance organizations including BusinessOwnerSpace.com partners.

NUMMI Regional Career Job Fair/- October 12, 9 am to 2pm- At the San Jose Convention Center.



Memorandum

TO: work2future Board

FROM: Joy Salandanan,
Supervising Accountant

SUBJECT: New Grant Awards for FY 2011-
2012 and Related Spending Plans

DATE: September 15, 2011

Approved

Date

RECOMMENDATION

Board approval to accept new grant funding allocations received for Fiscal Year (FY) 2011-2012 and related spending plans as follows:

- \$1,493,839, the second round of funding for the NUMMI Project from a National Emergency Grant (NEG) award from the Department of Labor (DOL) through the State Employment Development Department (EDD); and
- \$985,000 of 25% Additional Assistance funding from the State EDD for the American Recovery and Reinvestment Act (ARRA) Transition Supplemental Support Project.
- \$15,352 representing an Exemplary Performance Award given to Local Workforce Investment Areas (LWIAs) that met or exceeded its performance measures for Program Year (PY) 2009-2010.

The recommendation was approved by the Executive Committee at its meeting of August 18, 2011, and was presented to work2future's Finance Committee for approval at its meeting of September 14, 2011.

BACKGROUND

The New United Motors Manufacturing Incorporated (NUMMI) ceased operations in April 2010. More than 4,700 full-time employees were laid off from the NUMMI plant alone. Over 2,800 direct and indirect suppliers were forced to close or downsize due to the NUMMI plant closure. Of the total number of affected workers, approximately 800 NUMMI employees and 1,900 employees of direct and indirect suppliers reside in work2future's service area.

On July 29, 2010, the Executive Committee approved a spending plan for the NUMMI program for \$6,274,772 that was subsequently accepted by the Board. Of this amount, work2future received the 25% Additional Assistance bridge funding of \$970,000 and the NEG first increment funding of

\$2,006,901. The remaining \$3,297,871 would be released once all participating Workforce Investment Boards (WIBs) reached the 70% expenditure rate of the first increment of the NEG allocation.

In June 2011, EDD notified work2future of the NEG second increment funding of \$1,493,839, which represents work2future's share of the total amount of \$7,839,983 released by the State. These funds will be used through March 31, 2012 along with the carryover bridge and first incremental funding.

In addition, work2future recently received notification from EDD of a discretionary ARRA Transition Supplemental Support Project grant award of \$985,000. These funds will bridge work2future's one-stop system gap funding to serve ARRA carryover participants and an additional 400 clients through work2future's one-stop system. work2future anticipates that training will be provided to 100 of the 400 new enrollees. The funding term for this grant is from January 1, 2011 through December 31, 2011; however, work2future plans to submit a request to extend the term to June 30, 2012, due to the late receipt of the notification and to accommodate the City appropriation process.

Moreover, work2future received a \$15,352 Exemplary Performance Award for meeting and exceeding its performance measures for PY 2009-2010. These funds may be used for allowable costs under WIA. The term of this grant is from July 1, 2011 through June 30, 2012.

ANALYSIS / BUDGET IMPACT

The second increment of the NEG allocation for the NUMMI program will leverage Trade Adjustment Assistance Act (TAA) funds, the NEG first increment allocation, other federal funding, and the 25% Additional Assistance bridge funding. work2future has already used these funds in FY 2010-2011 for the provision of core and intensive services to 550 NUMMI participants through the NUMMI Career Transition One-Stop Center, including outreach, recruitment, testing and assessments, skills analysis, labor market information workshops, basic and remedial education, Individual Employment Plans, career and peer counseling, occupational and/or vocational skills training, supportive services and job placement.

work2future's anticipated total enrollment of 570 through the end of the program far exceeds the original projected enrollment goal of 447. An influx of participants residing outside work2future's Local Workforce Investment Area (LWIA) have transferred to work2future's NUMMI Career Transition Center for assistance to find employment. In FY 2011-2012, work2future anticipates enrolling an additional 20 participants due to recent administrative layoffs at the NUMMI plant facility.

While the ARRA funding is winding down in FY 2011-2012, the unemployment rate and number of unemployed individuals in work2future's LWIA have remained high. This combination of factors seriously impacts work2future's capacity to maintain the quantity and quality of its assistance to the region's unemployed. The \$985,000 of ARRA Transitional Supplemental Support funding will help to mitigate the impact of the loss of the ARRA funding and the increased number of clients accessing services. It will also help to restore work2future's capacity to assist its Dislocated Worker participants from the first post-ARRA year in the areas of case management, career coaching, workshops, training and supportive services.

The tables below show the revised spending plans for NUMMI Additional Assistance funding and the first and second increments of the NEG allocations, the NUMMI-related expenditures through June 30, 2011, and the new spending plan for the 25% Additional Assistance funding for the ARRA Supplemental Support Project. work2future has spent 74% and 76% of the NUMMI Additional Assistance funding and the NEG first increment allocation, respectively.

Spending Plan:	Approved Spending Plan	Revised Spending Plan	Expenditures (Preliminary)
Funding Award: \$970,000			
Grant Term	04/01/10 - 09/30/11	04/10/10 - 03/31/12	07/10/10 - 6/30/11*
Staffing Plan	12.75 FTE	13 FTE**	6 FTE
Staff Salaries & Benefits (includes admin & overhead)	771,576	629,122	444,242
Client Related Services	56,000	157,000	146,020
Others (supplies, mileage, rent, printing, other prof. svcs etc.)	142,424	183,878	130,338
Total Spending Plan	970,000	970,000	720,600
		Spending rate	74%

* Prior to year-end close

** Staffing costs in the revised plan for program staff salaries up to December 2010 are lower than in the original plan despite an increase in FTE, due to the decrease in the overhead rate from 45.96% to 24.69% and the change in the period covered from 04/01/10 through 9/30/11 to 04/01/10 through 12/31/10; remaining salary costs will cover MIS and Fiscal staff salaries from 07/01/11 - 03/12/12.

Spending Plan:	Approved Spending Plan	Approved Plan for 1st Increment	New Spending Plan for 2nd Increment	Revised Spending Plan for 1st & 2nd Increments	Expenditures
Funding Award: \$3,500,740					
Grant Term	04/01/10 - 03/31/12	04/01/10 - 03/31/12	04/01/10 - 03/31/12	04/10/10 - 03/31/12	07/01/11 - 06/30/11
Staffing Plan	13 FTE	13 FTE	15 FTE **	15 FTE**	11 FTE
Staff Salaries & Benefits (includes admin & overhead)	2,518,915	1,002,497	496,504	1,499,000	624,391
Client Related Services	2,785,857	944,404	900,000	1,844,404	883,817
Others (supplies, mileage, rent, printing, etc.)	0	60,000	97,335	157,335	10,331
Total Spending Plan	5,304,772	2,006,901	1,493,839	3,500,740	1,518,538
				Spending rate	76%

* Prior to year-end close

** Program staff salaries from January 2011 to March 2012

The increase of 123 NUMMI participants over the original goal of 447 enrollments requires two additional staff (from 13 to 15 FTE) as well as other resources, such as additional workstations for staff and space for workshops. In addition, there is a higher demand for training, especially in the areas of healthcare, manufacturing, and energy-efficient clean/green technologies. These industries are experiencing increased interest from the larger unemployed population, creating severe competition for employment in these sectors, the need for enhanced training and additional certifications, and the need

for participants to spend more time with skilled job developers. work2future expects that providing training services targeted to high demand sectors will offer the best opportunities for employment placement for NUMMI participants.

ARRA 25% Transitional Supplemental Support Project Spending Plan: \$985,000

Funding Award:	<u>\$985,000</u>
Original Term: 12/01/10 – 12/31/11	
Requested Term: 07/01/11 – 06/30/11	
Spending Plan: 3 FTE	156,000
Benefits (includes Overhead)	97,796
Client Related Services:	727,204
Others (supplies, mileage, rent, utilities, printing, etc.)	4,000
Total Spending Plan	<u>\$985,000</u>

The ARRA Transition Supplemental Support Project award of \$985,000 will augment work2future’s formula funds to support additional workshops, training, supportive services and case management services.

work2future plans to set aside the Exemplary Performance to provide addition client services and training for work2future staff in Workforce development and technology enhancements.

Total New Grant Awards Spending Plan: \$2,494,191.

Jocelyn Salandanan
Supervising Accountant, work2future

cc: Jeff Ruster

/jvs



Memorandum

TO: work2future Board

FROM: Joy Salandanan,
Supervising Accountant

SUBJECT: Spending Plan for Additional
Carry-Over Savings from FY
2010-2011

DATE: September 15, 2011

Approved

Date

RECOMMENDATION

Board approval of a spending plan for carry-over savings from Fiscal Year (FY) 2010-2011, broken down as follows:

- \$486,639 WIA Formula additional carry-over savings;
- \$143,727 WIA Rapid Response additional carry-over savings; and
- \$407,032 decrease in carry-over savings from discretionary grants.

The recommendation was presented to work2future's Finance Committee for approval at its meeting of September 14, 2011.

BACKGROUND AND ANALYSIS

On June 16, 2011, the Board approved the Proposed Combined Operating Budget for FY 2011-2012 of \$15,278,311 broken down as follows:

- WIA allocation of \$9,707,877 representing the total allocation for the Adult, Dislocated Worker and Youth funding streams;
- Estimated carry-over funding from FY 2010-2011 of \$2,966,040;
- Adopted carry-over funding to FY 2012-2013 of \$1,456,182, representing 15% of the total WIA allocation (this amount decreases the total available funding set aside for operations for FY 2011-2012);
- Estimated Rapid Response Funding of \$511,376; and
- Projected Discretionary carry-over funding of \$3,549,200.

The Combined Operating Budget for FY 2011-2012 represents a decrease of 12% compared to the Board-approved FY 2010-2011 Operating Budget of \$17,388,877.

WIA Carry-Over Funding:

At year-end close of FY 2010-2011, work2future carried over approximately \$3.5 million of WIA formula funds into FY 2011-2012, compared to the anticipated carry-over of approximately 3.0 million, resulting in additional savings of approximately \$500,000. The anticipated carry-over of \$3.0 million has been re-budgeted for Program Year 2011-2012 as part of the Proposed Budget approved by the Board in June 2011. The additional \$500,000 was mostly generated from unspent training, supportive services, and contracted client and professional services funding.

The following table shows the proposed plan for the additional savings from PY 2010-2011 WIA funding allocations:

WIA Carry-Over Funding	Projected Carry-over	Actual Carry-over	Amount for Re-Budget	Spending Plan
Adult	\$761,525	\$963,545	\$202,020	Allocate the full carry-over funding to Contingency Reserve.
Dislocated Worker	\$847,904	\$977,914	\$130,010	Allocate the full carry-over funding to Contingency Reserve.
Youth	\$1,356,611	\$1,511,220	\$154,609	Allocate the full carry-over funding to Contingency Reserve.
Total WIA Carry-Over	\$2,966,040	\$3,452,679	\$486,639	

Rapid Response Funding:

In addition to the \$486,639 carry-over funding from the WIA formula allocation, work2future is also carrying over into FY 2011-2012 a total of \$202,650 in Rapid Response funding as a result of moving a portion of Rapid Response allowable expenditures such as personnel, costs of the Small Business and Technology Studies, and a portion of the Econovue tool costs to the American Recovery and Reinvestment Act (ARRA) Rapid Response allocation to comply with the Employment Development Department’s directive to spend down the ARRA funds by March 31, 2011.

work2future had anticipated receiving a total Rapid Response allocation of \$511,375, which was part of the Proposed Operating Budget for FY 2011-2012, but received only an allocation of \$452,452. The carry-over funding more than covers the decrease of \$58,923 in the actual allocation received from the State. The following table shows the impact of the carry-over to the total Rapid Response Budget and the proposed spending plan for the remaining Rapid Response Funding.

Rapid Response	Projected Allocation	Actual Allocation	Amount for Re-Budget	Spending Plan
Rapid Response Allocation	\$511,375	\$452,452	(\$58,923)	Decrease in funding is more than offset by carry-over funding from FY 10-11.
Carry-Over Funding	0	\$202,650	\$202,650	Allocate the remaining carry-over funding to fund 1 full-time staff and a follow-up study based on the recommendations from the Emerging Green Industries Study.
Total Rapid Response Funding	\$511,375	\$655,102	\$143,727	

work2future is proposing to set aside \$15,000 of the Rapid Response carry-over funding to support the recommendations from the Emerging Green Technology Studies regarding the Contract Manufacturing Industry to assess the number of employers in this field, the number of potential jobs to be created, related skills set requirements, and industry drivers (e.g., policy, technology innovation). The remaining amount will be used to fund one FTE staff member and associated City overhead and non-personnel costs.

Discretionary Carry-Over Funding:

In addition to the WIA and Rapid Response re-budgets, work2future also has additional carry-over funding in its discretionary grants, as shown below:

Discretionary Carry-Over Funding	Projected Carry-over	Actual Carry-over	Amount for Re-Budget	Explanation
Combined NUMMI National Emergency Grant (NEG) and Bridge Funding	\$1,074,820	\$723,380	(\$351,440)	Higher demand for training and supportive services at year-end than anticipated. Budget will be expended as approved by the Board.
One Stop Delivery Grant	\$985,000	\$985,000	\$0	
Public Sector Grant	\$826,000	\$797,808	(\$28,192)	Spent more in personnel services costs than anticipated. No reduction in service is anticipated. Expenditures are within spending plan. work2future will redirect these funds to assist with Solyndra lay-offs.
On the Job (OJT) National Emergency Grant	\$663,380	\$635,980	(\$27,400)	Spent more in personnel services costs than anticipated. Budget will be expended as approved by the Board.

Total Discretionary Carry-Over	\$3,549,200	\$3,142,168	(\$407,032)	
---------------------------------------	--------------------	--------------------	--------------------	--

As shown above, actual carry-over funds into FY 2011-2012 for the Combined NUMMI NEG and Bridge Funding, Public Sector Grant and OJT NEG have fallen below projected carry-over resulting in a downward re-budget of \$407,032. Demand for client services and accruals were greater than anticipated towards the end of the year. The decrease in the overall projected carry-over savings has no impact on the overall service delivery for the affected grants, since expenditures are within their respective spending plans.

Joy Salandanan
Supervising Accountant, work2future

cc: Christopher Donnelly
Jeff Ruster

/jvs

IV (A) (1)

Meeting Minutes

[Action]

**WORK2FUTURE BOARD OF DIRECTORS MEETING
THURSDAY, JUNE 16, 2011
DRAFT MINUTES**

I. QUORUM VERIFICATION:

Present: Ralph Aceves, Rose Amador, Denise Boland, Benny Boveda, Barbara Cox, Tom Fink, Leslie Gilroy, Jose Gonzalez, Scott Green, Sue Koepp-Baker, Glenn Ledet, Marcia Lillis, Dr. David Matuszak, Pamela Moore, Ananth Nagaraj, Dr. Mark Novak, Rachel Perez, Steve Preminger, Rashad Said, Hermelinda Sapien, Dani Sellers, Bill Souders, Lloyd Tran, Van Le, Henri Villalovoz, Jorge Zavala.

Absent: Brian Chrisman, Janeen Dittrick, Jack Estill, Joseph Flynn, Richard Friberg, Bill Guthrie, Rocky Maddex, Sajeev Sidher, Alex Torres, Bryan VanHuystee, Erin Wright.

II. OPENING REMARKS: Read by Chair Benny Boveda.

III. CONSENT ITEMS

ACTION: Upon motion by Steve Preminger, seconded by Tom Fink, and approved unanimously, the Board accepted the following consent items:

- (a) Grant Report of May 1, 2011.
- (b) Integration Report of May 27, 2011.
- (c) April CQI Report of May 6, 2011.
- (d) BOS Report of April 30, 2011.
- (e) April LMI Report of May 26, 2011.
- (f) ARRA Final Summary Report as discussed at the Executive Committee's May 16, 2011 meeting and the Finance Committee's June 8, 2011 meeting.

IV. AGENDA ITEMS

A. Old Business

1. Minutes Approval

ACTION: The Minutes of work2future's March 17, 2011 Board meeting were approved.

Motion: Dr. Mark Novak

Seconded by: Jose Gonzalez

B. New Business

1. Featured Board Member

Ralph Aceves provided information to the Board regarding his business, Ovalpath, Inc.

2. FY 2011-2012 Budget

Executive Director Jeff Ruster presented this item to the Board, reminding members that at its March 17, 2011 meeting, the Board had approved three budget scenarios – a \$9M budget, a \$10M budget, and a \$12M budget – to enable work2future to move forward quickly once the actual allocation was received. He clarified that the base-case \$10M budget had come closest to the actual amount of the allocation. work2future’s \$10,246,948 proposed program operating budget was subsequently approved by both the Finance and Executive Committees at their June 2011 meetings.

ACTION: Approval of work2future’s Fiscal Year (FY) 2011-2012 budget.

Motion: Steve Preminger

Seconded by: Sue Koepp-Baker

3. Adult/Dislocated Worker Contract

Adult/Dislocated Worker Manager Monique Melchor presented the Executive Committee’s recommendation to fund Workforce Institute in an amount not to exceed \$988,000 to provide job readiness workshops, job development, assessments, and business services for work2future’s job seeker and business clients.

ACTION: Approval of Adult/Dislocated Worker Contract for FY 2011-2012.

Motion: Rashad Said

Seconded by: Sue Koepp-Baker

Recusals: Ms. Rose Amador and Ms. Rachel Perez

4. Youth Contracts

Assistant Director Christopher Donnelly presented Youth Council and Executive Committees’ recommendation to fund work2future’s youth services providers for FY 2011–2012 in an amount not to exceed \$972,000: Workforce Institute to receive up to \$486,000 to serve 90 youth; Center for Training and Careers to receive up to \$270,000 to serve 50 youth; and San Jose Conservation Corps to receive up to \$216,000 to serve 40 youth.

A public comment from David Mirrione of Workforce Institute was heard under this Agenda Item.

ACTION: Approval of Youth Contracts for FY 2011-2012.

Motion: Denise Boland

Seconded by: Pam Moore

Recusals: Ms. Rose Amador

5. Emerging Green Industries Study

Josh Williams of BW Research Partnership, Inc. provided a presentation based on his study of emerging industries and technologies in the Green Economy.

6. BusinessOwnerSpace.com Shop San Jose Campaign

The Executive Director spoke about the upcoming June 23, 2011 Social Media Conference for entrepreneurs and the sneak-preview of the *Shop San Jose* campaign to be provided at the conference.

C. Set Items for Next Agenda

- Special Grants

D. Announcements

- **Executive Director:** Next Board meeting will be held at the Almaden Winery Community Center.
- **Executive Director:** work2future will move into three new sites: Kirk, Shirakawa, and Almaden Winery community centers.
- **Assistant Director:** work2future's new 501(c)3 Committee met on June 9, 2011 to approve the work2future Foundation's Articles of Incorporation and Bylaws.
- **Van Le:** Moon Festival will be held at Independence High School on September 10, 2011.
- **Richard Martinez:** Volunteers are requested to participate in Housing 1000 to survey the chronically homeless.

E. Next Board Meeting

The next Board meeting is scheduled for **Thursday, September 15, 2011** at 11:30 a.m. at the Almaden Winery Community Center.

V. PUBLIC COMMENT: a public comment was heard under Agenda Item IV(B)4.

VI. ADJOURNMENT: the meeting was adjourned at 12:55 p.m.

IV (B) (1)

Featured Board Member

[Information]

IV (B) (2)

Board Members' Experiences as Silicon Valley Entrepreneurs

[Discussion]

IV (B) (3)

Social Media-Based Training
Initiative

[Discussion]

IV (B) (4)

Program Year 2011-2012
Local Plan Modifications

[Action]



Memorandum

TO: work2future Board
FROM: Elizabeth Kaylor,
Senior Analyst
SUBJECT: Program Year 2011–2012 Local
Plan Modification
DATE: September 15, 2011

Approved

Date

RECOMMENDATION

Board approval of work2future's Program Year 2011-2012 Local Plan Modification.

This recommendation was presented for approval at work2future's Finance Committee meeting of September 14, 2011.

BACKGROUND

On March 1, 2000, work2future, formerly SVWIN, submitted to the State of California's Employment Development Department (EDD) the Strategic Five-Year Local Workforce Investment Plan. These plans provided to EDD by Local Workforce Investment Boards (LWIBs) were effective July 1, 2000 through June 30, 2005. Due to continued uncertainty regarding WIA reauthorization, the Department of Labor issued several advisories that have either required modifications to local plans or allowed for extensions of existing local plans.

The following sections were included in the original Plan:

- Local Vision and Goals
- Labor Market Analysis
- Leadership (Board Authority)
- Local One Stop Delivery System
- Youth Activities
- Administrative Requirements
- Assurances
- Program Administration Designee and Plan Signatures

This year, EDD provided LWIBs with 25 local plan modification questions designed to produce responses that describe and assess the local area's current and future workforce investment

work2future Board
DATE: 15SEP11
Subject: PY 2011-2012 Local Plan Modification
Page # 2

strategies. These questions and work2future's responses are provided as an attachment to this memo.

Per the EDD Directive WSD10-15, notice of the posting of the extension and modification of the 5-Year Plan was provided in the Mercury News on September 10, 2011. work2future's responses to EDD's plan modification questions were posted at <http://www.work2future.org> and <http://www.sjeconomy.com> for a 30-day public comment period from September 10, 2011 – October 10, 2011. The original Strategic Five-Year Local Workforce Investment Plan, including prior annual plan modifications, was posted in conjunction with the plan modification questions to provide additional context for the public.

Following the 30-day comment period, all comments provided will be incorporated into the PY 2011-2012 Local Plan Modification for submittal to the Executive Committee for final approval and to the Chief Local Elected Official (Mayor) for his signature prior to submittal to the State.

Elizabeth Kaylor
Senior Analyst, work2future

LOCAL PLAN MODIFICATION QUESTIONS

The Workforce Investment Act (WIA) gives states and Local Workforce Investment Areas (local areas) a unique opportunity to develop employment and training systems tailored specifically to state and local area needs. The local plan should represent a collaborative process among the Chief Elected Official (CEO) and the local system partners. This collaboration will create a shared understanding of the local area's workforce investment needs, a shared vision of how the local workforce investment system can be designed to meet those needs, and agreement on the key strategies to achieve this vision. Additionally, the local plan should reflect the current and future strategies of the local area. Please respond to each question by describing and assessing your local area's current and future strategies and identifying steps to implement and improve your service level or actions as appropriate.

1. Identify the workforce investment needs of businesses and job seekers in your local area. [WIA Section 118(b)(1)(a)]

Business Workforce Investment Needs

Business needs for any area often evolve and change as the economy transforms through economic cycles. Our local economy is entwined with our neighboring WIBs and must undergo continuous scrutiny. With this in mind work2future has conducted a variety of studies to view the macro business trends and needs as seen through a regional lens. work2future's most current studies are:

- *Silicon Valley in Transition: Economic and Workforce Implications in the Age of iPads, Android Apps, and the Social Web* (NOVA, work2future, San Mateo County Workforce Investment Board, Santa Cruz County Workforce Investment Board; July 2011)
- *Emerging Industry and Technology Sectors in Silicon Valley's Green Economy: Workforce Implications* (work2future, NOVA; March 2011)
- *Rapid Response Study* (work2future, NOVA; February 2011)
- *Small Business Enterprise Study* (work2future; January 2011)

One-on-one meetings with local area businesses help to identify their individual needs, which are addressed through a variety of partner agencies' assistance. BusinessOwnerSpace.com (BOS) allows small and large businesses to connect with over 40 local business service providers for information and services within Silicon Valley. Business outreach is conducted through the BOS partnership using events, websites, traditional and social media, and word of mouth. Each contact is unique to that business; an assessment is conducted to identify its service needs, usually in the following areas: 1) access to capital, 2) technical assistance, 3) human resources, and 4) business information.

Job Seeker Workforce Investment Needs

The latest data from the California Employment Development Department (EDD)

indicate that unemployment for work2future's LWIA in July 2011 was 11.2 %, below the June 2010 rate of 12.3 %. The current rate is based upon a total labor force of 611,600 that has 543,200 individuals employed and 68,400 unemployed.

Year-over-year through July 2011 nearly 31,000 jobs were added in the MSA. Largest gains were in Manufacturing and Information, with each of these two respective sectors gaining a net of 4,600 jobs each. Professional and Business Services added 4,100 jobs during the year. Private Health Care and Social Services added 2,900 jobs.

Areas of highest employment in our MSA as of July 2011 included Professional and Business Services with 167,600 (2.5 % year-over-year growth), Manufacturing with 158,800 (3.0 % year-over-year growth), Government with 90,700 (7.0 % year-over-year growth but a large month-to-month loss of -4.3 % June-July 2011), 81,200 in Health Care and Social Assistance (3.7 % year-over-year growth), and 79,300 in Retail Trade (1.5 % year-over-year growth).

The Index of Silicon Valley, published by the Joint Venture Silicon Valley Network in 2010, identifies "Talent Flow and Diversity" as critical to drive the local economy, looking especially at the number of regional science and engineering degrees awarded as an indicator of how well the region is preparing talent for the area's driving, export-oriented industry clusters.

EDD Labor Market information projects substantial growth in the information technology workforce needs of Santa Clara County, especially in the demand for Network Systems and Data Communications Analysts, and Computer Applications Software Engineers. The Healthcare sector has grown significantly faster than the region's overall job growth, especially for workers with both clinical and technical (IT) skills.

The 2011 Tech Study jointly commissioned by work2future and other Silicon Valley Workforce Investment Boards gleaned valuable information about our driving High Tech Industry. Local High Tech firms reported some or great difficulty (66 %) finding qualified software engineers and field application engineers, and about half could not locate appropriate quality assurance and project management hires. Additionally, 60 % of the firms projected growth in their employment over the next year.

In work2future's industry studies, employers indicated that they sought applicants who were flexible and current in their technology skills, with "current" measured often in months and not years. All sectors appear to seek applicants who could demonstrate recent utilization of relevant skills, and how these skills will enhance outcomes for the employer.

2. What are the current and projected employment opportunities in your local area? [WIA Section 118(b)(1)(B) and California Unemployment Insurance Code (CUIC) Section 14221(a)]

Between July 2010 and July 2011, industry employment in the San Jose-Sunnyvale-Santa Clara MSA rose by 30,800 jobs or 3.6 %. Private educational and health services led private-sector expansion last year. Private health care and social assistance establishments, as well as private schools, each added 2,900 jobs to their payrolls. Manufacturing and information each netted 4,600 jobs. Notable gains occurred in food processing, computer and electronic products, and other information services. Professional and Business Services advanced by 4,100 jobs, largely based upon computer systems design and related services that accounted for nearly two-fifths of that employment. The preliminary government estimate showed a net gain of 5,900 jobs. Increases in local public schools, compared to an unusually low year-ago figure, which more than offset other government decreases (EDD LMID July 2011).

EDD's 2008–18 projections show that occupations with the fastest job growth include Network Systems & Data Communications Analysts (49.1%), Advertising Sales Agents (36.5%), Medical Equipment Repairer (26.5%), Computer Software Engineers (22.5%), Industrial Engineers (19.3%) and Market Research Analyst (18%). Current Help Wanted On Line Data (July 2011) shows that three of the above occupations are among the MSA's top ten "Occupations with Most Job Ads" (Network System and Data Communication Analysts, Computer Software Engineers, and Industrial Engineers).

work2future and NOVA commissioned two recent studies to examine the workforce and economic development opportunities being created today by the region's economy: an Emerging Green Industries Study and an Information Communications and Technology (ICT) Sector Study, *Silicon Valley in Transition*. Both studies focused on local employer hiring needs and expectations, and the occupations and skills they seek.

The Emerging Green Industries Study revealed that almost half (47%) of the surveyed employers expect to increase their total number of employees over the next 12 months, and "emerging green" employers have even higher expectations. An additional 47% of the employers expect their total staffing levels to remain the same, and only 1% of employers expect to make cuts. Only 5 % were unsure of their staffing needs, a result indicating a high level of employer confidence.

This equates to a far-above-average job growth rate among green employers who expect an annual 9.2 % employment growth rate versus California's overall projected 2011 employment growth rate of 1.6 %. Emerging Green employers expect a growth rate of 11.6 % in the next 12 months.

The ICT Study indicated that the ICT cluster is in the midst of a transition from recession to growth in Silicon Valley. Employer surveys revealed that 60% of the Valley's ICT employers expect to have more employees 12 months from now, and a conservative reading of the data suggests that sector employment will grow by 15% over the next two years. Silicon Valley's employment of software engineers and project managers is expected to increase by 10.8% over the next 12 months, while the employment of field applications engineers will jump more than 20%, and quality assurance engineers will see 12.3% growth over the same period.

Demand for these occupations is, in fact, already high, with a majority of employers reporting that they already have at least some difficulty finding qualified candidates to fill jobs in most of these occupations. This difficulty will be only exacerbated by growing demand, baby boomer retirements, and the education system's failure to produce adequate numbers of bachelor's, master's, and doctoral graduates in the relevant disciplines.

3. Describe any significant changes in your local area resulting from the current economic downturn and any differences in the way services are being delivered. [Title 20 Code of Federal Regulations (Title 20 CFR) Part 661.355]

There have been no significant changes since the most recent modification to the Local Plan in work2future's Local Workforce Investment Area from the economic downturn, and no significant differences in the way services are delivered; however, work2future's funding has been significantly cut, resulting in fewer workshops as well as decreases in other client services. To accommodate these funding cuts, work2future is relocating from its Parkmoor facility in San Jose to three City of San Jose-owned community centers: the Shirakawa Community Center, the Kirk Community Center, and the Almaden Winery Community Center.

4. How is your local area serving Unemployment Insurance claimants? How is your local area supporting workers receiving benefits under the Trade Adjustment Assistance program? [WIA Section 121(b)(1)(B)(xii)]

work2future is a close partner with EDD in the delivery of One-Stop services to UI claimants throughout its One-Stop system. In the past several years, work2future has continued to operate as a Learning Lab, delivering services under an integrated model that engages many more clients than under a non-integrated service delivery model.

work2future incorporates the delivery of Wagner-Peyser services throughout its system, considering the delivery of such services an integral part of our local, state and national re-employment and recovery efforts. Each One-Stop center provides easily accessible public computers that allow claimants to enter CALJOBS or other provided or supported job banks and other services. UI claims may be filed via these publically available computers. Each One-Stop provides information to all new clients regarding UI eligibility and the filing of UI claims.

As the recipient of Wagner-Peyser funds, EDD in partnership with work2future provides universal access to UI services at work2future's major One-Stops. EDD staff and work2future staff are collocated at the major One-Stop Career Centers in work2future's system.

Staff at work2future's One-Stop Centers, including work2future staff, EDD staff, and other partners' staff, all learn how to respond with the appropriate information and guidance to client queries about UI filing, how to resolve issues, protests and appeals.

At present, work2future is in the process of relocating from its largest One-Stop to three

smaller One-Stops distributed throughout San Jose, while retaining its One-Stops in Morgan Hill and Gilroy, where EDD's presence continues. The redistribution of services in San Jose will result in one center for Adult and Dislocated Workers, one center for Youth, and one center for Business Services. All of these sites will have publically accessible computers for UI claimants, and staff at all three sites will continue to provide relevant information to claimants. In addition, during Rapid Responses to major layoff activities, it is work2future's practice to always include an EDD representative who focuses on UI benefits and the UI process.

5. What programs and funding streams support service delivery through the One-Stop Career Center (One-Stop) system? If applicable, what are the anticipated changes to those programs or funding streams? [WIA Section 121(b)(1)(B)]

work2future's One-Stop Career Center system funding for fiscal year 2011-2012 is 12% less than its 2010 – 2011 level, and is supported by WIA and other sources totaling \$15.3 M from the following funding streams:

- WIA Formula: \$10.2 M (\$9.7 M allocation plus carryover from 2010-2011)
- WIA Administrative: \$971,000
- WIA Rapid Response: \$511,000
- Special Funding: \$3.5 M (NUMMI NEG and Bridge: \$2 M; State EDD grant for additional One-Stop training & supportive services: \$985,000; State EDD public sector layoff services: \$826,000; and State EDD NEG pass-through of ARRA OJT funding for long-term unemployed Dislocated Workers: \$663,000)

work2future anticipates additional WIA formula funding decreases next year as a result of the implementation of the Budget Control Act mandating across-the-board spending cuts to take effect in January 2013 with approximately 9 % annual reductions for non-defense programs. Unless revenue enhancements are concurrently implemented, work2future could face cuts to its formula funding in the range of 5-15 % annually.

In response, work2future for the next FY has budgeted a carryover of 15 % from this year's allocation so that programs and services to an annual client-load of 6000-7000 continues with minimized service reductions. work2future is exploring ways to deliver services more efficiently through the use of technology, with a current analysis underway.

To reduce costs, work2future is relocating to city-owned community centers from its current facility, with first year projected savings of over \$600,000, with savings increasing to over \$1 M in the second and third years out. The relocation to three separate community centers (Kirk Community Center serving Adults/Dislocated Workers, Almaden Winery Community Center providing business services, and Shirakawa Community Center serving youth through a youth hub model) will allow work2future to leverage community resources through strategic linkages. We will continue to aggressively seek special funding from public and private sources.

6. Are each of the required WIA partners included in your One-Stop delivery

system? If a required partner is not involved, explain the reason. [WIA Section 117(b)(2)(A)]

All required partners are included in the LWIA's one-stop delivery system, with the exceptions of the U.S. Department of Housing and Urban Development and a Community Services Block Grant recipient. work2future does not provide HUD services because there is no HUD office in its jurisdiction. Additionally, work2future is not aware of any CSBG recipients who provide employment and training services within its jurisdictional area.

The Department of Rehabilitation, which occasionally provides training to staff on assistance to disabled customers, currently lacks sufficient funding to offer services to clients in our one-stops.

7. Describe how your local area's WIA funds are used to leverage other federal, state, local, and private resources. How do these coordinated resources lead to a more effective local system that expands the involvement of business, employers and individuals? [WIA Section 112(b)(10) and 121(c)(2)(A)(ii)]

Maximizing work2future's resources continues to be a high priority. One of work2future's strategic goals is to leverage public and private resources so as to enhance the quality and spectrum of services available for demand occupations and industry sectors. This helps to ensure that services and projects are targeted to the demand areas that will benefit both employers and job seekers.

work2future is committed to the creation and identification of diverse, sustainable funding sources and resources. work2future continues to pursue diversified funding opportunities such as:

- Targeting appropriate grant opportunities;
- Leveraging available dollars regionally through grant collaboration; and
- Maximizing existing resources, both in-house and through contractors.

These funds will also be used as a means of leveraging and attracting other sources of funding for employment training and related services through public and private foundations. To the extent this is achieved, further strategies of creating more formal partnerships between One-Stop delivery system partners and the private sector would greatly increase the funds and role of the One-Stop system.

In addition, there will be a menu of services to employers for a fee. Such services include, but are not limited to the following: special recruitment, outplacement services, job task analysis, computer-skills training, testing, etc. The fee for service model aims to respond to the immediate needs of employers.

8. Describe and assess how the services provided by each of the One-Stop partners are coordinated and made available in your local One-Stop system. [WIA Section 118(b)(2) and Section 121 (c)(2) and CUI Section 14221 (a) and

(b)]

The services provided by each of work2future's various partners are coordinated through Memoranda of Understanding or contracts that are coordinated for work2future through its Contracts Unit, which in turn works with the City of San Jose's City Clerk, the City Attorney's Office, and the City Manager's Office to assure that each partner brings appropriate and coordinated services to our One-Stop system.

For example, work2future has commitments and presence from the following partners:

- WIA Title 1 Adults, Dislocated Worker, and Youth Activities to include WIA Veterans Programs, Job Corps and others
- EDD Employment Services
- Adult Education
- TANF
- Postsecondary Vocational Education
- Vocational Rehabilitation
- Title V of the Older American Act
- Trade Adjustment Act
- CDBG under HUD, including foreclosure assistance
- Unemployment Insurance
- Homeless Programs
- Food Stamps

The work2future program has demonstrated an ability to link to other organizations so that services and resources for clients can be maximized, and we are committed to this as a model of how resources can be leveraged to the mutual benefit of the participating organizations and the ultimate benefit of the clients requiring services in a range of areas.

work2future has a Continuous Quality Improvement team that assesses comments from clients regarding the quality of partner services provided through work2future's one-stop centers to ensure quality and coordination with other work2future services.

- 9. Local boards are required to review and assess the eligibility of One-Stop operations annually. What criteria does your local board use to review One-Stop operator agreements in your local area? Include a copy of your local policy as an attachment to this document. [CUIC Section 14206(d)]**

work2future does not use one-stop operator agreements as it operates its own one-stop facilities in conjunction with its services contractors, partners, and the State. Operations are guided by customer service teams, with members from various partner organizations, that determine how best to provide services on a daily basis.

- 10. Describe and assess how your local board ensures continuous improvement of eligible providers of services through the One-Stop system. How does your local board ensure that such providers meet the employment needs of local**

employers and participants? [WIA Section 118(b)(2)(A)]

work2future monitors its contractors annually, in addition to providing compliance and performance information to work2future's committees and the Board of Directors to provide data to support funding recommendations. Moreover, work2future's Continuous Quality Improvement team assesses comments from clients regarding the quality of services provided through work2future's one-stop centers to recommend changes to services and processes.

- 11. The State has been granted eight waivers through June 30, 2011, which directly affect how local areas may serve adults, dislocated workers, and incumbent workers. List each of the waivers your local area is currently using and describe how each waiver used has impacted the services provided to these customer groups. Indicate which waivers will be used in your local area in the future and how each will be utilized. [WIA Section 189(i)(4)(B) and WSD10-10]**

Individual Training Accounts for Youth

This waiver allowed work2future to serve 75 older and out-of-school youth through its Green Cadre program that provided *clean and green* skills and knowledge linked to work readiness and nationally-recognized certificated training. This program engaged the participants in civic activities where they provided hundreds of hours of community service, often in environmentally supportive activities. In addition, the Green Cadre program mandated participation in work readiness internships with non-profit, for-profit, and municipal organizations. The civic engagement and internships activities link participants to organizations and adults, creating networks of caring individuals and engaging the participants in real work activities. work2future anticipate using this model to provide services in PY 2011- 2012 for up to 90 Green Cadre participants.

Eligibility of Training Providers

This waiver has allowed work2future to extend eligibility of training providers already determined as eligible to provide services, and to re-enroll training providers, significantly reducing administration of the Eligible Training Provider List (ETPL) during a time when high numbers of individuals continue to seek One-Stop services as a result of poor economic conditions and high unemployment and under-employment levels. work2future will continue to use this waiver to reduce management of the ETPL and to allow greater staff and management focus on client services.

Common Measures

The waiver from the 17 statutory WIA performance measures has allowed work2future to focus on serving many more clients through integration with Wagner-Peyser services. Integration has more effectively and efficiently engaged service seekers as they strive to see where they fit in an ever-changing economy and make the skill and competency adjustments they need to become or remain employable. We expect to continue using Common Measures to retain a focus on providing services and resources for all clients.

Use of Local Funds for Incumbent Worker Training Activities

To date, work2future has not used this waiver; however, work2future will continue to assess the needs of local employers for layoff aversion training through its Business Services unit and its employer partners in BusinessOwnerSpace.com (BOS) activities, work2future's partnership with the EconoVue real-time business information tool, through locally interpreted labor market information, and through research studies of our local area and regional economy – in particular, sector assessments.

Customized Training

To date, work2future has not used this waiver of the required 50 % employer contribution to customized training; however, work2future will continue to assess the needs of local employers for customized training that will result in increased employment for job seekers whose skills are upgraded. This will be tracked through work2future's Business Services unit and its employer partners in Business Owner Space (BOS) activities, work2future's partnership with the EconoVue real-time business information tool, locally interpreted labor market information, and research studies of our local area and regional economy – in particular, sector assessments.

Transfer of Adult and Dislocated Worker Formula Funds

In FY 2010 – 2011, work2future did not transfer formula funds under this waiver. It did, however, transfer ARRA Dislocated Worker funds in the amount of \$411,000 to Adult programs. This allowed work2future to address a recession-driven need for increased services for Adult clients. In the future, work2future will assess the need for fund transfers under this waiver to assure that services are maximized as driven by demand.

Increase in Employer Reimbursement for On-the-Job Training

To date, work2future is not using this waiver. Nonetheless, work2future is using funds from an NEG award to assist eligible job seekers and interested employers to generate jobs using an on-the-job model with appropriately increased employer reimbursement rates.

We will continue to evaluate local employer needs and may in the future seek to use this waiver in support of job creation enhancement activities, based in part upon increased employer reimbursements for on-the-job training participation.

Use of Rapid Response Funds to Conduct Incumbent Worker Training Activities

To date, work2future has not used this waiver, but will continue to assess local layoff aversion needs and may in the future opt to utilize this waiver.

- 12. How does your local area administer Individual Training Accounts (ITA)? [WIA Section 134(d)(4)(G)] Include any limitations you impose on ITAs established in your area. If your local board is providing training services that are made as exceptions to the ITA process, describe the process you used to procure and justify these exceptions. In addition, include your local board's policy addressing the amount and duration of ITAs based on market rate for local**

training programs. [CUIC Section 14206(h)]

work2future uses ITAs for ETPL and cohort training. As of July 1, 2008, work2future began participation as a learning laboratory in the statewide integration effort. During the Board's June 19, 2008 discussion of the fiscal impact of the new service delivery model on training dollars, Board members expressed a degree of uncertainty regarding the effect of increased numbers of individuals potentially eligible for training. As a result of this discussion, work2future approved the reduction of the cap for ITAs and other types of training from \$6,000 to \$3,000 per individual, subject to a waiver process. ITAs are limited to 18 months in duration.

- 13. Sector strategies are state policies that promote regional partnerships of employers, educators, workforce developers, and other stakeholders that address the skills needs of critical industries in a region. The California Workforce Investment Board has adopted a sector strategies approach to assist local areas in developing their workforce solutions. Describe and assess your efforts to plan/implement sector strategies, develop regional partnerships, or target industries that are important in the local area or region. Describe what changes may be necessary to improve these regional strategies and partnerships. [CUIC Section 15001(a)(6)]**

Regional partnerships remain at the heart of work2future's efforts to invigorate workforce development in Silicon Valley. One-Stop Career Center services provided by work2future staff are supplemented by an array of governmental and non-governmental partners, including the state Employment Development Department, the Workforce Institute of San Jose/Evergreen Community College District, and the Council on Aging. Support for local businesses is coordinated through BusinessOwnerSpace.com (BOS), a partnership of nearly 40 community organizations, financial institutions, chambers of commerce, educational institutions, business incubators and governmental agencies.

work2future continues to work with neighboring WIBs to take a regional approach to workforce intelligence and strategic development. Most recently, it has partnered with NOVA on a new look at Rapid Response needs and strategies in Santa Clara County, as well as with NOVA and the Santa Cruz County Workforce Investment Board on a study of the workforce implications of developments in Silicon Valley's green emerging technology and industry sectors. In partnership with NOVA, Santa Cruz County and San Mateo County Workforce Investment Boards, work2future has taken an extensive look into the workforce prospects in the Information and Communications Technology (ICT) sector.

Growing green businesses (and, with them, green jobs) is a central tenet of the City of San Jose's economic development strategy, while the ICT sector is the linchpin of Silicon Valley's innovation economy. The carefully researched studies conducted in 2010 and 2011 have provided the region's WIBs with critical insight, not only into the outlook for job opportunities in those sectors, but also regarding how employers are going about finding the employees they need to sustain and grow their businesses.

The studies have also reinforced the similarities and differences in the communities of job seekers that neighboring WIBs serve, and have reinforced the value of and need for improved collaboration moving forward, resulting in continuing discussions and efforts at both the executive and line levels.

14. Describe how your local board utilizes the principles of sector strategies to identify employer needs and guide training efforts to meet those needs. [CUIC Section 15001(a)(6)]

work2future's approach to sector strategies is illustrated by its efforts on three sector fronts: Health IT, emerging green technologies and industries, and information and communications technology (ICT).

Given the regional character of Silicon Valley and the fluid relationship between Local Workforce Investment Areas and where people actually live and work in the region, work2future has chosen to approach each sector in partnership with at least one neighboring WIB. For Health IT and emerging green, work2future paired its efforts with NOVA; for ICT, it joined with NOVA and the San Mateo County and Santa Cruz County WIBs.

The approach to each sector is dependent on a foundation of solid research. In the instance of Health IT, the research has been facilitated by participation in the EDD's Regional Innovation Clusters of Opportunity Grants (RICOG) initiative, which has provided financial and consulting support to various regions around California. Working through RICOG and with additional consultant research into the body of employers in Santa Clara County and its immediate environs, work2future and NOVA have come to realize that, despite early indications of promise, the Health IT sector is a significant but static employment sector, with relatively little workforce growth now expected to occur in the near future. Job opportunities in this sector will occur as a result of turnover, rather than expansion. As a result, relatively few opportunities exist for workers who do not already have substantial experience in the sector and in their fields.

Separate studies were commissioned into the emerging green technology and industry sector and the ICT sector. Researchers for both studies conducted extensive outreach to sector employers—involving surveys, and telephone and in-person interviews—to gain insight into their projections for growth (business and hiring) and their descriptions of their hiring needs. In addition, for the ICT study, researchers conducted two resume panels with hiring managers and recruiters in order to learn exactly what employers are looking for in resumes and interviews. Findings from the latter are captured in a special resume guide available to job seekers in the high tech sectors.

Researchers found significant optimism about employment in both sectors. Emerging green employers projected employment growth better than 11% in the year following the study (2011), higher even than the 9% growth projected by Silicon Valley green employers overall. However, the emerging green sector is relatively small, and the

percentage growth translates to approximately 1,200 expected new jobs.

ICT employers projected average employment growth of 15% in the 24 months following the study (2011), with employment in certain occupations expected to grow as much as 20%. With ICT employment in Silicon Valley numbering over 200,000, the anticipated growth is substantial.

While hiring needs and practices are not identical in the emerging green and ICT sectors, the studies found that both are undergoing transition in ways that have important implications for the regions job seekers, especially those who are unemployed. The most significant employment growth in both sectors is anticipated in Tier 1 jobs—high skill, high wage jobs—with limited spillover into Tier 2 jobs—generally middle class jobs. Very limited or no growth is expected in Tier 3 jobs—low skill, low wage jobs—in either sector.

Employers are looking for candidates with demonstrable and very up-to-date skills and experience relevant to the employers' specific needs; they are anxious to find employees who can work entrepreneurially and demonstrate flexibility, who can problem-solve in teams, yet be self-driving. These employers show a strong interest in job seekers who appear openly passionate about an employer's technologies and products.

These findings have required that the affected WIBs examine previous assumptions about opportunities for new entrants into the jobs market, as well as high-barrier job seekers, in marquee business sectors such as emerging green and ICT. The WIBs are also actively sharing information from the studies with training providers, especially the region's community colleges—linchpins of the workforce development system—as we work to reassess training needs and training strategies in light of the research findings.

15. California's Green Collar Jobs Act of 2008 was passed to address the State's green economy and the increasing demand for a highly skilled and well-trained green collar workforce. How does your local area recognize opportunities to prepare workers for "green jobs" related to other sources of federal funding? [CUIC Section 15000]

In spring 2011, researchers completed a study commissioned by work2future, in partnership with NOVA, of emerging technology and industry sector workforce implications in Silicon Valley's green economy. The study, which involved both surveys and interviews with regional employers, anticipates job growth of about 9% in the overall green economy in the next year, and of about 11% in the emerging green technology and industry sector. The leading emerging green sectors, the study found, are Energy, Materials and Manufacturing, and Specialized Suppliers and Support Industries. Together, they account for about 90% of employment in Silicon Valley's emerging green sectors.

The study also found that most emerging green employers are small, the vast majority

with fewer than 25 employees, and that few of these employers are offering entry-level opportunities for workers. Although less pronounced, employers in more established green sectors had a similar employment pattern. Reflecting the paucity of entry-level opportunities, Silicon Valley's emerging green occupational profile is almost entirely comprised of high- and mid-skill occupations, with hardly any low-skill/low-wage jobs available.

Based on their research, the studies' authors recommended that workforce training not focus on "green" skills and experience *per se*, but on preparing workers more broadly for careers in one of the emerging green sectors (e.g., energy, materials and manufacturing, specialized suppliers and support industries) or in a broad occupational category identified in the research (e.g., administrative, professional, sales, and skilled technical positions). The study's authors findings support earlier O'NET definitions that characterize many green collar jobs as occurring through the addition of green elements to an existing sector.

The studies' authors also recommended developing a system for continually gathering information on the sectors' workforce needs—cultivating key employer relationships, developing metrics and indicators that reveal employment changes, improving tracking and assessment tools for emerging green firms—given the still evolving nature of the emerging green sectors. In addition, they urged new training models to help job seekers gain industry experience and a deeper understanding of the industries and technologies that make up the Valley's emerging green economy, and a focus on providing more varied and specialized training to smaller cohorts of trainees.

work2future is currently engaged in determining how to effectively assimilate the findings and recommendations of this study, which mark a significant departure from traditional models of service delivery for job seekers. Further, it is preparing to commission additional research into the local specialized suppliers and industries sector to better understand its evolving workforce and training needs and its role in other emerging aspects of Silicon Valley's economy.

In the meantime, work2future continues to offer its Green Cadre program to youth with high barriers to workforce entry. The program helps older teens and young adults to acquire a broad range of work readiness skills, while equipping them with a practical, hands-on familiarity with the substance and vocabulary of energy efficiency and materials conservation (recycling), allowing them to advance the City's green vision and to become employable by adding green awareness and competencies to work readiness, especially by connecting them to civic engagement, community service, and work readiness internships that support green activities and connect youth to employers and carrying adults.

16. What rapid response assistance is available to dislocated workers and employers? Who provides this assistance? [WIA Section 118(b)(4) and (5)]

A regional collaboration, work2future's *Rapid Response Study* (work2future, NOVA; February 2011) provided information on best practices in Rapid Response.

work2future's Rapid Response Program's experienced staff respond to layoffs and plant closings by quickly coordinating services and providing immediate aid to affected companies and workers. When the Rapid Response Unit is invited to meet with affected workers prior to a layoff, employees are able to access programs and services quickly, which assists them as they transition through that difficult time. The Rapid Response program benefits the downsizing employer by improving overall worker morale, which in turn results in a more positive working environment for all employees, enabling production levels to be maintained.

Our outplacement team works with confidentially with employers while plans for workforce reduction are in process. We can help to assess whether there might be alternatives to workforce reduction that could be considered. We can also help a business find its way through government-sponsored programs and regulations.

At Rapid Response presentations, Dislocated Workers are informed about career enhancement services through local WIBs as well as how to access those services:

- Job search workshops such as Resumes Development, Interviewing techniques, and Networking;
- Financial literacy and counseling;
- Individual job and career counseling;
- Training opportunities;
- Labor Market Information;
- Job leads; and
- Recruiting opportunities such as job fairs.

Transitional Services

If a layoff is unavoidable, work2future can provide a timely, effective response to assist employees in transitioning out of employment. Services may include:

- On-site presentations to explain One-Stop services;
- Establishment of an on-site career transition center;
- Coordination of One-Stop services with outplacement firms; and
- Coaching and support to workers as they take steps toward new employment.

17. Layoff aversion activities are a critical component of rapid response. Please describe the layoff aversion activities your local board provides to businesses. [WIA Section 118(b)(4) and (5)]

If a local business is experiencing difficult times and is considering mass layoffs or closures, our outplacement staff is able to provide various forms of assistance, including exploring mechanisms that would assist the business to avoid layoffs. Working in tandem with economic development specialists, our outplacement staff seeks to use tax credits, enterprise zone vouchers, information on loans and business incentive programs, business consultants, and acquisition of additional lands, etc., to assist distressed businesses. Information about California's Workshare Unemployment Insurance (UI) Program is provided to businesses and, when applicable, Business Services facilitates the process with the State UI staff.

Our outplacement team works confidentially with employers while plans for workforce reduction are in process. work2future staff can help to assess whether there might be alternatives to workforce reduction that could be considered. We can also help a business find its way through government-sponsored programs and regulations.

As soon as work2future's Business Services staff is aware of a potential layoff, the occupations and industries impacted are identified for outreach efforts to assist those employees to connect to new employers needing those skill sets. Job openings and recruitment opportunities are shared with the dislocated employees.

work2future and NOVA recently conducted a joint study on Rapid Response and Best Practices. The study recommended that the most effective lay off aversion practice was the timely and continuous business relationship-building process that both organizations have historically provided to local businesses. Employers are more likely to share information and allow the WIBs to assist them and their employees when in layoff mode. See www.work2future.biz under Labor Market studies for a copy of the Rapid Response Report.

18. Describe your area's eligible youth population and needs in general. Describe the partnerships and collaborations that provide services to the youth in your local area. What youth activities are available in your local area? Identify successful providers of such activities. [WIA Section 118(b)(6) and CUI Section 14221(g)]

The majority of work2future's youth clients have multiple barriers, primarily in the areas of basic skill deficiencies. Many have been involved in the court system and/or are aging out of the foster care system. work2future's youth program focuses on occupational training in the area of our designated industry clusters, and achievement of a high school diploma or GED, leading to post-secondary education or employment.

work2future contracts with Workforce Institute, San Jose Conservation Corps, and the Center for Training and Careers to provide services to local youth. The Workforce Institute Division of the San Jose/Evergreen Community College District provides certificated training programs, including San Jose Promise, Green Jobs, and Customer Service training through the National Retail Federation. The Conservation Corps provides training in the areas of Landscaping, Weatherization, Natural Resource Conservation, and Construction Trades. The Center for Training and Careers provides training programs such as Green Academy, OSHA, Medical Administration, and Microsoft Office Suite.

19. Describe and assess your local area's delivery of services to people with disabilities. What partnerships and collaborations exist to provide services to this population? What training services and employment opportunities are available to this population in your local area? [WIA Section 112(b)(17)(A)(iv) and Section 409]

work2future's Equal Opportunity Officer responds in a timely manner to any requests for accommodation to ensure participation in WIA activities. In addition, work2future has hired a Disability Navigator to provide assistance to our disabled customers. The Disability Navigator facilitates integrated, seamless, and comprehensive services in work2future's One-Stop Centers for persons with disabilities, and serves as a resource to the workforce development community to ensure the availability of comprehensive knowledge of federal, state, local and private programs that impact the ability of persons with disabilities to enter and remain in the workforce. The following partnerships assist work2future to provide quality services to members of the disabled community:

- EDD/DCARA: DCARA provides job seeker services to individuals that are hearing impaired.
- Project HIRED: representatives provide clients with Project HIRED resource information.
- Goodwill Industries of Silicon Valley: representatives provide an orientation of Goodwill's services.
- Silicon Valley Independent Living Center (SVILC): provides onsite job seeker services to individuals with disabilities.

In addition to the above local partnerships, the Disability Coordinator also regularly attends monthly committee meetings of the Bay Area Coalition for Employment Development (BACED). The Disability Coordinator forwards job leads that originate from the BACED committee on to work2future's Business Services team. Concurrently, the Disability Coordinator shares work2future's job leads, job fairs, and specialized recruitments with the committee via BACED Google email. This collaboration has proven to be a catalyst for marketing work2future's services to agencies within Santa Clara County. Several local agencies and one high school (disabled students) have toured work2future's San Jose facility. The customers were impressed with the facility, resources, and the assistive technology on hand.

- 20. If your local area received funds to operate Project New Start to provide parolees support in seeking, securing and maintaining employment as they transition from prison to their home communities, describe and assess your service delivery and partnerships in serving this population group. Describe what changes in your local area may be necessary to improve the level of service. [WIA Section 134(d)(4)(G)(iv)(II, and IV) and Section 188(a)(5)]**

Although work2future initially received a \$50,000 allocation for New Start, the unspent balance was subsequently rescinded. work2future has not received funding to operate New Start in the current year.

- 21. Local areas must incorporate priority of service for veterans and eligible spouses in accordance with the provisions of Training and Employment Notice 15-10 (11/10/10). This requires veterans and eligible spouses to receive service priority over recipients of public assistance and low-income individuals. Describe what programs and processes your local area is using**

to achieve these goals. [WIA Section 112(b)(17)(B), WIA Section 121(b)(1)(B)(1)

work2future has a written policy for Veterans' Priority of Services that assures each veteran's eligibility criteria is in accordance with applicable provisions of federal laws. These priority services include Intake, Enrollment, Assessment, and Training, and are made available at all work2future One-Stop locations. Veterans are a key target group for all work2future programs, including newly separated veterans, those who are long-term unemployed, low-income veterans and eligible spouses.

- 22. What role do Veterans Workforce Specialists and Veteran Employment Service Specialists have in the local One-Stop system? How do you ensure adherence to the legislative requirements for veterans' staff? [Title 38 United States Code Part III, Chapter 41 and Title 20 CFR Part 1001.120]**

Historically, EDD Veteran Representatives have provided Veteran services at all three work2future One-Stop locations. These Veteran Representatives serve an important role to connect Veterans to WIA services and ensure that veterans enrolled in WIA programs have access to all available WIA services as well as other critical services such as housing assistance, healthcare, and mental health counseling. work2future maintains its MOU with EDD to ensure that all One-Stop locations have on-site support from veteran representative staff to serve veterans. Legislative requirements are adhered to through EDD's practices and mandated policies and procedures.

- 23. Describe and assess how you provide Wagner-Peyser Act services to the agricultural community. Specifically, how do you provide outreach, assessment and other services to migrant and seasonal farm workers, and services to employers? How do you provide appropriate services to this population in the One-Stop system? [Title 20 CFR 662.200(b)(1)(vi)]**

At work2future's Gilroy One-Stop facility, our EDD partners provide outreach, assessment, and other services to migrant and seasonal farm workers.

- 24. Local areas may decide locally, based on their prior years' experiences that they will need to change their strategies in order to meet their performance goals. Discuss any strategic changes in your local area to meet performance goals. [Title 20 CFR Part 661.355]**

work2future has not made strategic changes to meet its performance goals, as it has met or exceeded all of its performance targets for the past six years.

- 25. Discuss any applicable changes to the local board structure (do not include changes to specific individuals on the board). Please attach a copy of your local bylaws that reflect these changes. [Title 20 CFR Part 661.355 and CUIC Section 14202]**

There have been no applicable changes to work2future's board structure.

IV (B) (5)

Information and
Communication Technology
Study

[Discussion]

Tech Job Growth Poses Both Opportunities and Challenges

Silicon Valley's technology cluster is emerging from recession into a new period of growth and opportunity, according to a comprehensive study completed for four Silicon Valley workforce investment boards. Interviews with key executives indicate a 15% jump in high-skill jobs over the next two years, confirming the recent news of hiring by Google, Facebook and other Valley tech companies.

Based on 250 employer surveys and over 50 executive interviews, this research study provides a roadmap for Silicon Valley's efforts to address workforce changes and competitive challenges. The study – *Silicon Valley in Transition: Economic and Workforce Implications in the Age of iPads, Android Apps and the Social Web* – proposes a number of recommendations for better preparing and connecting job seekers with available employment opportunities and for Silicon Valley to maintain its dominance as the world's preeminent innovation factory.

To compete for future high-skill tech jobs, job seekers will need to:

- Demonstrate entrepreneurial skills, flexibility, adaptability and a passion for life-long learning in addition to relevant technical skills.
- Shift their resume and job search strategies to focus on their experiences helping previous employers solve problems and innovate.

The study contains "Tech Resume 2.0," with resume advice from 27 tech recruiters and hiring decision makers.

Executives locate in Silicon Valley to be near the world's largest pool of high tech talent, to be near their key customers, to enjoy a high quality of life and to have access to capital and great universities. Today's fiscal struggles threaten many of the Valley's advantages—advantages that are critical to remaining competitive in an area with high labor and housing costs.

Going forward, leaders must find ways to implement an active investment agenda—in the Valley's workforce, infrastructure and communities.

The study recommends that workforce boards must remain aligned with ever-shifting local employer skill demands in order to provide job seekers with relevant advice on job search and resume strategies. Boards can also establish portfolio learning labs to give laid-off job seekers opportunities to demonstrate their grasp of new technologies and their passion for learning and innovation.

The sponsoring workforce boards are work2future, NOVA, San Mateo County and Santa Cruz County. Green LMI, BW Research, and the Center for the Continuing Study of the California Economy led a national research team that conducted the eight-month study.

Full report: www.work2future.biz/images/documents/TechStudyFullReport_03.pdf

IV (B) (6)

BusinessOwnerSpace.com
Shop San Jose Campaign

[Discussion]

PARTICIPANTS



IV (C)
Set Items for Next Agenda

IV (D)
Announcements

IV (E)
Next Meeting

The next Board meeting is currently scheduled to take place on December 8, 2011 at 11:30 a.m. at the Almaden Winery Community Center, 5730 Chambertin Drive, San Jose, CA 95118.

V
Public Comment

VI
Adjournment