



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kim Walesh

SUBJECT: SEE BELOW

DATE: June 8, 2020

Approved

Date

6/12/2020

**SUBJECT: ANNUAL AUTHORIZATION FOR WORKFORCE INNOVATION AND
OPPORTUNITY ACT PROGRAM AND PROJECTS FOR 2020-2021**

RECOMMENDATION

Adopt an annual resolution authorizing the City Manager or his designee to negotiate and execute the following agreements relating to the Workforce Innovation and Opportunity Act (WIOA) Program and projects:

- (a) All contracts, amendments, agreements, leases, subleases, and memorandums of understanding with contractors, consultants, vendors, and partners providing services to the WIOA (formerly Workforce Investment Act (WIA)) Program and workforce programs funded by other sources, including, but not limited to novations or assignments, case management contracts, and consultant contracts, for the period July 1, 2020 to June 30, 2021 in accordance with procurement procedures and requirements mandated by the State and Federal governments for WIOA grant recipients and with established City procurement procedures and requirements, that have been reviewed and approved, as required, by the work2future Workforce Development Board (work2future Board), so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (b) All memorandums of understanding with Required and Additional One-Stop Partners for the period July 1, 2018 to June 30, 2022 in accordance with Section 121 of the WIOA, including, but not limited to memorandums of understanding with other workforce development boards, regional memorandums of understanding, partnership agreements, cost-sharing agreements, regional consultant agreements, and memorandums of understanding with cities and the unincorporated area of Santa Clara County whose residents receive services from the work2future One Stops, a partner of the America's Job Center of CaliforniaSM, so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses, if any, of the agreement.
- (c) All amendments to City Council-approved agreements that have been reviewed and approved, as required, by the work2future Board so long as monies have been appropriated

and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.

- (d) All grant applications, grant agreements, sub grant agreements, and any documents necessary to accept the grant for discretionary funding applied for and approved by the work2future Board, for multi-year periods not to extend beyond June 30, 2025, so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (e) All Eligible Training Provider List (ETPL), Youth Career Technical Training, Youth Workshops, Adult Workshops, and Adult Cohort agreements, and multiple-scope agreements that combine two or more of the above agreements that have been reviewed and approved, as required, by the work2future Board, for the period from July 1, 2020 to June 30, 2021, subject to annual appropriation of funds by the WDB.
- (f) All agreements specified in sections (a) through (e) above with a term end date beyond the fiscal year in which the contract begins (an end date beyond June 30, 2021), so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (g) All agreements specified in sections (a) through (e) above that do not involve a disbursement of funds (no-fund agreement) with an end term beyond the fiscal year in which the agreement begins (beyond June 30, 2021).

OUTCOME

Approval of this action will ensure that the workforce development services provided to the community through the funding and contractual partnerships under the management of the work2future program will be delivered in a timely and efficient manner to meet the immediate needs of individuals seeking employment assistance. Council has approved the omnibus resolution annually since 2000.

EXECUTIVE SUMMARY

work2future, the federally authorized Workforce Development Board (WDB) administered by the City of San José, provides workforce development services to the City of San José as well as seven other Santa Clara County cities and the county's unincorporated areas. work2future has a Board of Directors to oversee and ensure that it is in compliance with federal regulations and that approves its annual budget.

work2future has met all federally mandated performance outcomes, including the number of adult clients that enter employment, are retained in employment, and have average earnings of a

specific amount. For youth, the current performance outcomes require a percentage of youth to enter employment or education, and earn a degree or credential. work2future also provides rapid response services for laid-off workers, and services to the area's businesses.

work2future client services are provided at three America's Job Center of California (AJCC) locations in San Jose and Gilroy. work2future business services are provided at the Almaden Winery Community Center.

The Covid-19 pandemic has affected the way work2future provides its services. The County's shelter-in-place order necessitated that work2future quickly develop and implement an online service delivery strategy. In a very short time, work2future was able to provide the majority of its services remotely. The shelter-in-place order also caused the number of laid-off individuals to increase. Since the Covid-19 crisis, over 150 WARN (Worker Adjustment and Retraining Notification) notices have been received which have impacted almost 20,000 employees. work2future staff has provided daily online Rapid Response presentations to affected employers.

work2future also provides workforce services to San José youth through the San José Works (SJ Works) program. The SJ Works program places underserved youth into employment that is either subsidized using City of San José General Funds, or unsubsidized, with the employer paying the youth. SJ works also provides the youth with wrap-around services such as career counseling, supportive services, and entrepreneurship training. Last summer SJ Works placed 322 youth into subsidized internships. As of March 13, 2020, 498 youth were placed in employer-paid jobs.

There are also several State initiatives that work2future provides support for, including the Clean Energy Job Creation Initiative Transitions to High Road Construction Careers, which provides pre-apprenticeship training to individuals that leads to employment or apprenticeships in the construction industry sector and the Prison to Employment Initiative, which integrates workforce development and reentry services to improve employment outcomes for justice-involved individuals.

work2future focuses on employer engagement, intensive career advising and case management, and focused training options and supportive services so that clients will achieve occupations in high-growth sectors. work2future is confident that this career pathway strategy will result in exceeding its placement goals for this reporting period.

Despite a decrease in in work2future's funding for program year 2019-2020, work2future mitigated service delivery impacts by utilizing savings from last year and the work2future Board's mandated reserve account. work2future will also reimburse or allocate programming resources to the City's General Fund in the amount of \$683,000, which covers grant-related costs associated with rent, staffing and overhead.

The SlingShot 2.0 initiative, a partnership of work2future with other local workforce development boards on the Peninsula and San Benito County, focuses on the development of a network and forum for employers, educators and youth-serving community organizations to promote and support apprenticeships throughout the region. work2future will build partnerships that will lead to employment opportunities for individuals in low-income neighborhoods with barriers that have prevented them from employment in the technology sector.

For the future, work2future will analyze its metrics and enhance successful strategies to focus its services on clients most in need. The new service delivery model developed in response to the COVID-19 SIP order will continue to be used in a hybrid model, which will provide flexible options to clients.

The SJ Works program will continue, with an anticipated 175 youth to begin services in June 2020 and additional cohorts in winter and spring of 2021. A mentoring program has been developed to further assist the SJ Works youth.

Staff is recommending that the City Manager's authority to negotiate and execute various types of contracts, agreements, amendments, and memorandums of understanding be reauthorized for FY 20-21. All such agreements are compliant with Federal, state and local laws, rules, and policies, and have been approved by the work2future Board. There must be an unexpended and unencumbered balance of the appropriation sufficient to pay the expenses of each agreement.

It is also necessary for the City Manager to have authority to negotiate and execute grant applications and grant agreements, so that work2future can quickly respond to opportunities for additional funding. These grant applications may result in the need for an agreement with a term of up to four years.

Council has approved the omnibus resolution annually since 2000.

BACKGROUND

work2future, the federally authorized Workforce Development Board (WDB) administered by the City of San José, once again met all its federally mandated performance outcomes (see Attachment A), while maintaining full compliance with a complex array of federal and state program and fiscal requirements. With federal and City of San José support, a total of 2,466 youth, adults and dislocated workers secured employment between July 1, 2018 and June 30, 2019 after utilizing work2future services. In addition, through the first six-months of the current fiscal year, work2future has served an additional 1,671 youth, adults, and dislocated worker participants.

In addition to San José, work2future's service area includes seven other Santa Clara County cities and the county's unincorporated areas, comprising approximately two-thirds of Santa Clara County's workforce.

work2future has a private sector-led Board of Directors (Board) comprised of 19 members, many of whom are drawn from the business community and represent the diversity of Silicon Valley's employers, including well-known companies such as PayPal, and Kaiser; and representatives from key industry sectors such as Cobham Advanced Microelectronic Solutions and Manex. The Board also includes required representation from labor and key public-sector partners such as the California Employment Development Department (EDD), Department of Rehabilitation, community colleges, and universities.

Historically, work2future has used contractors to deliver its services. The work2future Foundation (Foundation), a separate entity from work2future, had been in this role since 2014. However, as conveyed in the Information Memorandum dated June 24, 2019, on June 4, 2019 staff was notified that the Foundation's Board of Directors had approved the dissolution of the organization because it could not see a viable way to sustain the nonprofit financially moving forward. Notwithstanding this notification the Foundation stated that it would continue to provide services for the City-funded San José Works program until September 30, 2019, after which the Foundation completed its dissolution. Subsequently, beginning on Monday, July 1, 2019, work2future's federally funded career services began to be provided solely by Eckerd Connects Workforce Development, an arm of Eckerd Youth Alternatives, Inc. (Eckerd), already under contract with work2future. Services were transferred to Eckerd seamlessly with no impact on clients.

The work2future Board is empowered through WIOA to oversee and ensure adherence to federal regulations and an annually adopted budget. The work2future Board provides guidance and direction to staff and approves the federally mandated Four-Year Local and Regional Strategic Plans. The latter was developed jointly by work2future, the NOVA Workforce Development Board, San Benito County Workforce Development Board, and the San Francisco Workforce Development Board.

In March 2019, work2future submitted updates to the local and regional plans as part of two-year modifications required by WIOA. The Regional Plan modification was approved in April 2019 and the local plan modification was approved in August 2019 by the State of California Workforce Development Board.

- Regional Plan Modifications, pending State approval:
<https://www.work2future.org/wp-content/uploads/2020/05/Regional-Plan-Modification-Final.pdf>
- Local Plan Modifications, pending State approval:
https://www.work2future.org/wp-content/uploads/2019/10/2019_Oct_Local_Plan_Mod_2018_19.pdf

The Mayor of San José is the federally designated local Chief Elected Official (CEO), and the City of San José is the fiscal agent for the program. The CEO's responsibilities include the appointment of members to the work2future Board and approving, along with the work2future Board, the previously referenced Strategic Plans.

Impact of Covid-19 on work2future Operations

Effective March 17, due to the shelter in place (SIP) order issued by the County Public Health Officer, the City of San José essential employees began to perform their work remotely. Shortly thereafter work2future began to provide services remotely to continue to provide services to job seekers and businesses impacted by COVID-19.

Shortly after the SIP order, work2future, its partners and contractors moved to a fully online service delivery system, which included:

- Orientation/Enrollments – The newly revamped work2future website: www.work2future.org was quickly transformed into a portal for services. Interested participants can now attend a virtual orientation and proceed to virtual enrollment in the same week.
- Job Readiness Workshops were transferred to a Zoom platform where clients could sign up and attend remotely
- Maintaining client contact via telephone, text messaging, and email – Career Advisors have continued to contact clients remotely to offer counseling services or other services as requested.
- On the Job Training – OJT. Training Team staff reached out to On the Job training providers to ensure that clients would be able to access OJT experiences through job opportunities that are able to be accessed remotely.
- Online occupational skills training – Clients are obtaining occupational skills training from vendors that have State approval to provide online classes.
- Virtual Job Fairs – A virtual job fair using videoconferencing technology was held on April 29, 2020 with approximately 40 employers and over 500 participants, due to the overwhelming response an additional virtual job fair is tentatively scheduled for some time in June.
- work2future website with local employment opportunities & other resources– The updated work2future website has been utilized to inform participants as well as residents of San José and its surrounding areas of vital services since the SIP order and is monitored frequently for updated information. Current employers featured on this website include Amazon, Wells Fargo, Click Diagnostics, and USPS.
- Rapid Response Services (for laid off workers) – Immediately following the SIP work2future staff began receiving Worker Adjustment and Retraining Notification notices (WARN). WARNs offer protection to workers, their families, and communities by requiring employers to provide notice 60 days in advance of covered plant closings and covered mass layoffs. work2future then deploys its Rapid Response team as an early intervention service that assists both employers and

employees. Since the onset of COVID-19 SIP order, work2future has responded to over 150 WARN and other layoff notices impacting approximately 20,000 workers.

The change in the service delivery represented a significant body of work and required certain temporary approvals from the state. Notwithstanding, work2future anticipates that many of the changes implemented due to the SIP order will remain, offering a hybrid model for on-line and or in person services (depending on the social distancing restrictions in place) which will provide safe options for clients.

Key Highlights

Employment Outcomes

This section provides an overview of work2future's employment outcomes (including the results of a recently implemented career pathways strategy), federal performance outcomes, funding, and other key operating highlights.

Over 2,400 clients secured employment

Over the last fiscal year, work2future services assisted a total of 2,466 youth, adults, and dislocated workers in securing employment. This included 1,466 individuals served through the WIOA-funded Youth, and Adult and Dislocated Worker programs. For Fiscal Year (FY) 2018-19 WIOA clients, aggregated annual wages totaled \$98 million. In addition, and as described further below, more than 1,000 youth secured employment through the San José Works (SJ Works) program funded by the City of San José. As mentioned above, additionally through the first six months of the current fiscal year, work2future has served an additional 1,671 youth, adults, and dislocated worker participants.

In keeping with WIOA's mandate, most individuals whom work2future served were "at risk," meaning they experienced one or more of the following barriers: recipients of public assistance, low-income individuals, individuals who are basic-skills deficient or lacking needed educational credentials, older individuals, long-term unemployed, and/or individuals with English language fluency challenges or other barriers to being fully competitive in the employment market. Many of the individuals served faced multiple challenges to employment success. For example, over 98% of youth are low-income, and 85% of adult clients are low-income or basic skills deficient.

Federal Performance Outcomes

Attachment A presents the Federal Performance Outcomes for the last three program years of WIOA and for the last twelve months of the current fiscal year. As noted, for the last three program years work2future once again met or exceeded all its required measures. These included measures of clients securing employment, retention, and average earnings. work2future staff and work2future Board track performance outcomes utilizing reports from the State of

California's CalJOBSSM data management system. Though this year's report is not final, staff fully anticipates meeting all its performance outcomes.

San José Works focuses increasingly on career pathways

San José Works (SJ Works) is a collaboration among work2future, the City's Parks, Recreation, and Neighborhood Services Department (PRNS), the Mayor's Gang Prevention Task Force (MGPTF), and The Silicon Valley Organization (SVO).

During this past summer, the SJ Works 5.0 program provided 322 youth with paid internships supported with General Fund monies provided by the City of San José. An additional 498 youth were placed in employer-paid job opportunities as of March 13, 2020. Over 93% of the subsidized youth successfully completed their paid six-week internship and 84% of the unsubsidized youth completed their job placement period.

Due to COVID-19 and the SIP order, the program was suspended and was unable to reach the subsidized goal of 375 youth. work2future anticipates being able to serve the remaining youth once the program relaunches in the summer.

With the information currently available, work2future believes it has reached its goal of 625 unsubsidized youth. This number will be confirmed once an employer verification tool has been secured which is still awaiting approval to purchase. The employer verification tool will allow staff to access past and current payroll records.

In addition to recruitment, placement and onboarding services, youth also accessed career counseling, supportive services (e.g. bus passes), and entrepreneurship training. Workshops provided included, communication etiquette, anti-sexual harassment, anti-discrimination, emotional intelligence, and job readiness training which was held at Adobe's HQ where an interview skills workshop was facilitated by Adobe recruiters, after which, the youth enjoyed a tour of the campus. Industry Day followed at the Microsoft campus where they participated in a financial literacy workshop facilitated by Bank of America, a Rock your LinkedIn Profile workshop, and engaged in career panels.

During this past year, the SJ Works paid internships focused increasingly on private-sector placements with employers in high-growth sectors and in-demand occupations. Of the 322 paid internships, 145 were recruited from high school Career and Technical Education classes and placed with employers in advanced manufacturing, business/financial services, construction, health care and social assistance, and information technology. Examples of participating employers include VTA, NextFlex, and Precision Swiss. The remaining 177 youth were placed in demand occupations with community centers, library branches, City departments, Council offices, and nonprofit organizations.

Clean Energy Job Creation Initiative Transitions to High Road Construction Careers –

The result of 2014 convenings in Santa Clara and San Mateo Counties of work2future and sister workforce boards, the Building and Construction Trades Councils (BTCs), Working Partnerships USA (WPUSA) and other community-based organizations (CBOs), joint apprenticeship training centers (JATCs) and others in the region, the Santa Clara County Trades Orientation Program (TOP) has graduated, as of March 2020, nearly 350 individuals from 15 pre-apprenticeship training cohorts centered on the Multi-Craft Core Curriculum (MC3) approved by the National Building and Construction Trades Council. With the support of job development and career coaching from work2future and WPUSA, which operates TOP, 85% of graduates have secured placement in employment/apprenticeship within 1 year of MC3 certification, with an average hourly starting wage of \$24.

To support TOP and its sister program in San Mateo County, the Trades Introduction Program (TIP), work2future secured, beginning in 2015, \$1.37 million in multiple phases of Prop 39 funding, a resource that reached its legislated conclusion in December 2018. work2future subsequently drew on its WIOA training funds to support TOP in 2019 as it and its partners in the Santa Clara County Construction Careers Initiative (CCI) waited for the state to launch a new resource for construction pre-apprenticeship, the SB1 High Roads Construction Careers program (HRCC).

In January 2020, following state delays in launching the program, the partnership of workforce development boards, BTCs, CBOs, JATCs, community colleges and adult education programs, with WPUSA acting as fiscal lead, submitted a collaborative application for \$1.18 million in HRCC funds to support six TOP cohorts of approximately 30 students each, and a like number of TIP cohorts. The COVID-19 crisis has delayed the state's evaluation of HRCC applications, and it now plans to announce results this coming September.

In the meantime, TOP continues to provide job development, career coaching and other supportive services to program graduates with the support of work2future, which has continued to co-enroll TOP participants, and the partners plan to offer one more TOP cohort before HRCC results are announced.

Prison to Employment (P2E) Initiative

The State-funded Prison to Employment Initiative will help implement the integration of workforce development and reentry services in regions throughout California including in San José to improve employment outcomes for justice involved individuals. work2future, in partnership with the Office of Reentry Services (ORS) and Goodwill of Silicon Valley, will provide workforce services to these participants and will receive the following services: job readiness & digital literacy workshops, mental health services and paid pre-apprenticeship Training. Prison to Employment services commenced in February 2020 and will continue through September 30, 2021.

The P2E initiative commenced on February 10, 2020 and will continue December 2022. work2future enrolled 22 participants and notwithstanding the SIP order work2future continues to serve these clients remotely.

Career Pathway Focus

Over the last two years, the work2future Board has redirected resources to a more focused and robust employer engagement approach, a more intensive career-advising and case-management methodology, more focused training options, and supportive services to direct work2future clients towards high-growth sectors and occupations.

As part of the Career Pathway focus, the work2future Board established the following goals for the WIOA Youth, and the Adult and Dislocated Worker programs:

- 75% of clients served secure employment, including:
 - a minimum of 50% of clients served secure employment in high-growth sectors/occupations or continue onto post-secondary education, and
 - no more than 25% of all clients served secure employment in other occupations.
- The remaining 25% who do not secure employment should be comprised of those who either:
 - completed a nationally recognized credential or on-the-job training, or
 - exited the program before completing a nationally recognized credential or an on-the-job training program.

Career Pathway Results (As of February 2020)

Adult and Dislocated Workers

For the 12-month period ending February 2020, there were 614 adult and dislocated worker clients who exited the work2future program. Of these 614 exited clients, 159 secured employment within work2future's Priority Sectors, with another 115 clients finding jobs in non-Priority Sector areas.

Of note, there are an additional 340 clients for whom work2future is still verifying their employment status from EDD. Staff is confident that it will exceed its Career Pathway's Priority Sector placement goal of 50% for this most recent reporting period given that of these pending 340 clients, only 148 (or 44% of the pending) need to secure Priority Sector placements.

Youth

The WIOA-funded Youth Program serves at-risk, primarily out-of-school, 18-24-year-olds. Virtually all come from low-income households and face at least one additional barrier to

employment such as a basic-skills deficiency, a history of substance abuse, and/or have one or more parents currently incarcerated.

There were 131 youth who exited from the work2future program over the 12-month reporting periods ending February 2020. Of the 131 exited clients, 18 have been placed in Priority Sectors, with another 16 finding jobs in non-Priority Sector areas. There are an additional 97 clients for whom work2future is still verifying their employment status from the State and other sources. Staff is again confident that it will exceed its Career Pathway's Priority Sector placement target given that of the 97 pending clients, only 48 (or 49.5% of the pending) need to secure Priority Sector placements.

work2future's Funding

work2future heavily relies on grant funding to provide services to the community, therefore allocations vary each year. The primary sources of funding are the Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker, and Youth program allocations. These funding sources are derived from a formula driven by the nation's economic situation relative to unemployment, underemployment and economically disadvantaged population, thus funding fluctuates as the economic landscape changes. In FY 19-20, funding for the allocations were \$5,796,492, an 8% decrease from the prior year. For FY 20-21, work2future is anticipating additional funds due to COVID-19 for its operating budget compared to FY 19-20's decrease in funding. work2future is actively seeking additional funding sources to support this program.

Return on Investment (ROI)

As required by the work2future Board, work2future since FY 2015-16 has been undertaking a return on investment analysis. For every dollar spent each year, the return on investment was:

<u>Year</u>	<u>ROI</u>
18-19	\$ 1.81
17-18	\$ 1.61
16-17	\$ 1.50
15-16	\$ 1.38

Note: Staff does not have access to the required information to calculate the ROI for other workforce boards.

Each local workforce board is unique with many different factors affecting its ROI outcome including, most notably, the number and severity of employment barriers facing clients. work2future intentionally invested a significant amount of resources to direct its clients towards high growth sectors with career pathways that will ultimately result in higher wages. The overall cost per adult and dislocated worker client was \$2,642 and the overall cost per youth client was \$8,882.

Other Key Operational Highlights

Service Delivery Operations

As referenced earlier in the memo, work2future services were transferred from the work2future Foundation, Inc. to Eckerd Connects, an arm of Eckerd Youth Alternatives, Inc. (Eckerd). The transition was unanimously approved by the work2future Board, and there was no interruption to client services.

work2future client services are provided in San José at the Kirk Community Center, and in Gilroy at the County Social Services Agency offices. In addition, services are also provided at the EDD Job Services office in North San José. work2future business services are provided at the Almaden Winery Community Center.

For the 2019-2020 program year work2future's federally funded career services are provided solely by Eckerd Connects, under contract with work2future. Eckerd continues to provide adult program services for work2future in South County. It took over the service responsibility for the rest of work2future's LWDA from work2future Foundation, Inc. (Foundation).

As part of the City's Office of Economic Development, work2future staff's priority was to ensure the continuity of WIOA services to the San José and regional community and key stakeholders, especially employer partners and job seekers. The transition occurred seamlessly with no interruption to clients, contractors or partners.

Eckerd is a nonprofit founded in 1968 that operates 160 programs across 20 states and the District of Columbia, including WIOA-aligned workforce development programs in California and five other states. Last year, it served more than 34,000 individuals nationwide, mainly in the areas of workforce development, juvenile justice, and family services. Additionally, the local leadership of Eckerd has over 20 years of experience in workforce and is well versed in WIOA requirements.

The Foundation continued to provide service for SJ Works until September 30, at which point, to ensure continuity of the SJ Works program after September 30, SJ Works staff were hired as City of San José employees to continue to support the SJ Works initiative.

Employer Recruitment and Rapid Response Serve over 500 employers

Since the COVID-19 crisis, over 150 WARN (Worker Adjustment and Retraining Notification) and other layoff notices have been received which have impacted almost 20,000 employees. Rapid Response presentations to employers have been attended daily via on-online webinars on the www.work2future.org site.

Prior to the COVID-19 SIP, work2future served over 350 employers last fiscal year through a broad range of support services including specialized recruitments, job fairs, on-the-job training,

and layoff aversion services. Of the 350 employers, rapid response funds supported 34 employers with layoff mitigation services, including 35 Rapid Response presentations attended by over 550 individuals. Topics covered include work2future's job-search and career-planning services, accessing unemployment insurance and healthcare options. Forty-nine clients enrolled in work2future's Dislocated Worker Program. Of those 20 have secured employment and the remaining clients are still active and enrolled in services.

Employer recruitment services are supported under work2future's rapid response funding. This funding is distinct from the WIOA Adult and Dislocated Worker Program allocation and represent little more than 3% of work2future's total WIOA operating budget. Rapid Response funds support other services such as labor market studies and small business support activities including BusinessOwnerSpace.com and Doing Business in San José Workshops.

Slingshot 2.0 focuses on Support for Non-Traditional Apprenticeships

The SlingShot 2.0 initiative, a partnership of work2future with other local workforce development boards on the Peninsula and San Benito County, has narrowed its focus to the development of Apprenticeship Bay Area (ABA), a network and forum for employers, educators and youth-serving community organizations to promote and support non-traditional apprenticeships throughout the region. The initiative is two-thirds of the way through its research phase focusing on the needs of youth and employers. With funding received, work2future will be able to build partnerships with regional tech partners across K-12 school districts, community colleges, training providers, employers, and industry champions to validate a prototype that will lead to employment opportunities for individuals in low-income neighborhoods who have not been able to experience employment in the technology sector due to lack of skills or for those who could not navigate the traditional route to technological employment opportunities.

Looking Ahead

For the upcoming year, work2future anticipates focusing on the following set of programs, activities, and challenges.

COVID-19 Response – On-line Service Delivery Strategy

As mentioned earlier work2future will scale its online service delivery strategy offering such services as remote access workshops, virtual job fairs, and rapid response. In addition, and subject to the County Public Health Officer's SIP and social distancing requirements, in person services may also resume as a hybrid model.

San José Works 6.0

Due to COVID-19, a cohort of 175 youth will begin in June 2020. This cohort will be conducted in partnership with PRNS, Silicon Valley Organization (SVO), and the Opportunity Youth Academy. The 175 Youth will participate as follows: 60 youth will be provided paid

internships, recruited from high school Career and Technical Education classes and placed with employers in advanced manufacturing, business/financial services, construction, health care and social assistance, and information technology. Ninety youth will be placed in demand occupations with community centers, library branches, City departments, Council offices, and nonprofit organizations as they become available and 25 youth will be from the Opportunity Youth Academy and will participate in a learning-based model. Additional cohorts in the winter and spring will allow work2future to meet its goal of 375 for the entire year.

The success of the SJ Works program relies on the on-going strategy for youth outreach, which utilizes job fairs, resource fairs within the community, co-location with high schools and The HUB—Santa Clara County's youth-led community resource center for current and former foster and Independent Living Program-eligible probation youth ages 15–25—as well as events at the local community colleges, San José State University, agency referrals and past clients. For SJ Works 6.0, students in high school will be provided with resume and mock interview workshops.

Additionally, for SJ Works 6.0 a mentoring program has been developed. The program will be piloted from mid-June to the end of August. There will be two orientation sessions for mentors in June. There will be four weekly group mentoring sessions involving 8-12 students from July 1 to August 7. And there will be two follow-up sessions, the first to formally assess our results and the second to plan next steps. Each of the eight sessions lasts 60 minutes and utilizes Zoom technology. They will be led by a retired principal who is an Encore Fellow in the Mayor's Office and also a youth development specialist.

ANALYSIS

(a) Contracts and Agreements

Staff recommends that Council authorize the City Manager or his designee to negotiate and execute all contracts, amendments, agreements, leases, subleases, and memorandums of understanding with contractors, consultants, and vendors providing services to the WIOA Program and programs operated by work2future, including, but not limited to:

- Novations or assignments;
- Training Vendor contracts;
- Case management contracts;
- Consultant contracts.

Such agreements must comply with procurement procedures and requirements mandated by the State and Federal governments for WIOA grant recipients and with established City procurement procedures and requirements. In addition, they must be reviewed and approved, as required, by the work2future Board, and may be executed so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.

Under WIOA, work2future must enter into memorandums of understanding with Required and Additional One-Stop Partners for a three-year period, with the agreement reviewed every three-year period to ensure appropriate funding and delivery of services. Other WIOA memorandums of understanding are on an ad-hoc basis. These memorandums include, but are not limited to:

- Memorandums of understanding with other workforce development boards
- Regional memorandums of understanding
- Partnership agreements
- Cost-sharing agreements
- Regional consultant agreements to share training and labor market research tools
- Memorandums of understanding with other cities and the unincorporated area of Santa Clara County whose residents receive services from work2future.
- Required partners specified in WIOA Title I include programs authorized under the following:
 - Title II of the Workforce Innovation and Opportunity Act, Adult Education and Literacy
 - Title III of the Workforce Innovation and Opportunity Act, Wagner-Peyser Act, (State of California Employment Development Department)
 - The Title IV of the Workforce Innovation and Opportunity Act, Vocational Rehabilitation Act (State of California Department of Rehabilitation)
 - Senior Community Services Employment Program (Sourcewise)
 - Migrant Seasonal Farmworkers Program (Center for Employment and Training)
 - Community Services Block Grant (Center for Employment and Training)
 - The Job Corps
 - Career and Technical Education under the Perkins Act
 - Veterans employment services under chapter 41 of title 38, U.S.C.
 - Employment and training activities carried out by the Department of Housing and Urban Development.
 - Trade Adjustment Assistance
 - Unemployment Compensation Programs
 - County of Santa Clara Departments and Agencies, including, but not limited to, Human Services CalWORKS CalFresh Programs
 - Local Child Support Agencies
 - English Language Learners, Foreign Born and Refugees
 - Re-entry services providers – Probation, Parole
 - Community Based Organizations
 - Labor Organizations

WIOA allows federal funds received by local areas during a program year to be expended during that program year and the succeeding program year. To meet the needs of clients and businesses that work2future serves, there must be sufficient flexibility to begin agreements in one fiscal year and end agreements in the following fiscal year to provide a continuum of services consistent with and in alignment with work2future's programs. The nature of some work2future services is such that programs offered to clients can be initiated during various periods within the fiscal

year. The coordination of vendor training programs such as the Eligible Training Provider List (ETPL), Youth Career Technical Training, Youth Workshops, Adult Workshops, and Adult Cohort Training, is dependent on when the client is determined eligible and the type and length of the training program selected. No-fund agreements that provide work experience to Youth Program participants are dependent upon a school year and summer schedule. In addition, Adult programs are subject to similar variables. Under these circumstances, the time to perform and complete services necessitates extending the agreement beyond the fiscal year. In prior years, the development of an amendment within the next fiscal year was the only solution, adding extra time and effort to prepare, coordinate, and execute an additional document for numerous contractors.

The City Manager or his designee will ensure that sufficient funds have been appropriated and are available and that agreements are in accordance with federal and state laws and regulations.

(b) Grant Applications and Grant Agreements

During FY 2020-2021, work2future will endeavor to obtain additional discretionary funding through grant applications. Funding proposals may require partnerships with other public, private, and community-based organizations as a prerequisite for funding. In other instances, funding may be awarded to work2future for activities that may be undertaken by community-based organizations, institutions of higher education, or vendors to be selected through a subsequent request for proposal processes. These grants can support City operations through the payment of overhead and in support of City-wide services that align with WIOA activities.

As discretionary grants may be for terms of up to four years, staff recommends that the City Council authorize the City Manager or his designee to negotiate and execute all grant applications, grant agreements, and subgrant agreements, and any documents necessary to accept the grant for discretionary funding applied for and approved by the work2future Board, for multi-year periods not to extend beyond June 30, 2025 pending appropriation of grant funds by City Council.

(c) Council Reporting

The work2future program is housed within the Office of Economic Development (OED). OED and work2future make an annual comprehensive presentation on formula and discretionary funding availability, contracting and program activities and performance, and client services to the Community and Economic Development Committee (CEDC). Due to COVID-19 the report was not provided to the CEDC.

CONCLUSION

work2future provides important services to the job-seekers, businesses, and employers in its service area, as well helping youth seeking to improve their circumstances through employment or education. With the adoption of an annual resolution authorizing the City Manager or his designee to negotiate and execute agreements relating to the WIOA Program, the services that work2future provides can continue in a timely way. Individuals and businesses seeking work2future's services have immediate needs and this resolution will ensure that these needs can be met efficiently.

EVALUATION AND FOLLOW-UP

No additional follow-up actions with the City Council are expected at this time. work2future will be providing a program update to the Community and Economic Development Committee, scheduled for January 2021.

CLIMATE SMART SAN JOSE

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

The WIOA activities represented in this report involve a wide variety of public outreach including working with various community-based organizations, private sector businesses, educational entities, and other governmental organizations.

The work2future Board is comprised of 19 private and public sector members and has sought public input at all work2future board and committee meetings on each of the projects detailed above. All work2future meetings, as well as those of the supporting committees, are covered by the Brown Act and are subject to public notice requirements and public comment sections on the agendas of their actual meetings.

This memorandum to Council will be posted on the City's website for the June 23, 2020 Council Agenda.

COORDINATION

This report has been coordinated with the Office of the City Attorney and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This action supports Initiative 7 of the City's Economic Development Strategy, "Prepare Residents to Participate in the Economy through Training, Education, and Career Support.

CEQA

Not a Project, File No. PP17-004, Government Funding Mechanism, or Fiscal Activity with no commitment to a project which may result in a potentially significant impact on the environment.

/s/
KIM WALES
Deputy City Manager
Director of Economic Development

For questions, please contact Monique Melchor, work2future Director, at (408) 794-1108.

Attachment A:
work2future WIOA Performance Summary for WIOA clients: PY 2016-2019

Attachment A

Federal Performance Results

2016–2017 | 2017–2018 | 2018–2019

WIOA PROGRAM YEAR	2016 - 2017			2017 - 2018			2018 - 2019		
Performance	Actual	Required	Success Rate	Actual	Required	Success Rate	Actual	Required	Success Rate
ADULT									
Entered Employment Rate	56%	52%	108%	62%	58%	107%	62%	58%	107%
Employment Retention	83%	79%	105%	63%	55%	114%	63%	55%	114%
Average Earnings	\$18,324	\$14,200	129%	\$7,522	\$5,550	136%	\$7,522	\$5,550	136%
DISLOCATED WORKERS									
Entered Employment Rate	67%	59%	114%	64%	64%	101%	64%	64%	101%
Employment Retention	88%	83%	106%	68%	62%	109%	68%	62%	109%
Average Earnings	\$24,341	\$20,100	121%	\$10,578	\$8,425	126%	\$10,578	\$8,425	126%
YOUTH									
Placement Employment or Education	60%	60%	100%	64%	62%	103%	64%	62%	103%
Attainment of Degree or Certificate	70%	64%	109%	81%	52%	156%	81%	52%	156%
Literacy Numeracy	62%	64%	97%	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
Program years 15-16 & 16 -17 State Performance is met at 80% Program Years 17-18 & 18-19 State Performance is met at 90% * PY 16-17 was the final year in which Literacy Numeracy was tracked for WIOAYouth Participants.									
WIOA Program Year 4nd Quarter (Tentaitve)							2019-2020		
Performance							Actual	Required	Success Rate
Adult									
Entered Employment Rate 2nd Qtr							56.0%	67.5%	120.5%
Entered Employment Rate 4th Qtr							55.0%	65.0%	118.2%
Median Earnings							\$5,800.00	\$8,692.00	149.9%
Attainment of Degree or Certificate							54.0%	52.2%	96.7%
Dislocated Workers									
Entered Employment Rate 2nd Qtr							62.0%	68.7%	110.8%
Entered Employment Rate 4th Qtr							64.0%	67.4%	105.3%
Median Earnings							\$8,800.00	\$11,477.00	130.4%
Attainment of Degree or Certificate							58.0%	49.4%	85.2%
Youth									
Entered Employment Rate 2nd Qtr							61.0%	80.9%	132.6%
Entered Employment Rate 4th Qtr							63.0%	76.0%	120.6%
Median Earnings							Baseline	\$4,710.00	Baseline
Attainment of Degree or Certificate							54.0%	91.1%	168.7%
*The State is revising the definition of the degree/certificate standard. Based on a preview, it is apparent that work2future has been using a conservative definition that has led to lower results than are likely to be the case with the pending definition.									