

Workforce Development Board

date Thursday, May 04, 2017

time 8:00a – 9:30a

place San Diego Workforce Partnership, 3910 University Ave. San Diego, CA
Julie Benedict Community Room, 3rd Floor

AGENDA

Welcome & Introductions

- **Marlene Taylor – Chair**
 - o Call the meeting to order
 - o Non-agenda public comment

Presentations

- o “Flip the Script” youth summit event recap

Action Items

- **Marlene Taylor – Chair**
 - o Item #1: Minutes of the February 9 Workforce Board Meeting 3

Information Items

- o Item #2: RFP Framework – Operations and Management of America’s Job Centers of California (AJCC) Network 6
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- o Item #5: Corrective Action: Comprehensive Training Systems (CTS)..... 12
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- o Item #7: Committee Update (Adult, Youth, Audit, Executive)..... 14
- o Item #8: CEO & Staff Report 15

Adjourn to Closed Session

- Item #9: Closed Session – Anticipated Litigation (Government Code §54956.9(d)(4))

Adjournment

- Next meeting – June 15, 2017 – Location: SDWP Office
- Retreat on August 17, 2017

PUBLIC COMMENT: Members of the public may address the WDB on issues on this agenda (three minutes per subject) and/or other items within the WDB's scope. To speak, submit a "Request to Speak" form prior to the meeting. In compliance with the Americans with Disabilities Act, the SDWP will provide accommodations to persons who require assistance. If you require assistance, please call (619) 228-2900

Item #1: **Minutes of the February 9 Workforce Development Board Meeting**

Members Present

Althea Salas	Krista Torquata	Omar Passons
Annie Taamilo	Ky Lewis	Phil Blair
Carmencita Trapse	Mark Cafferty	Richard Barrera
Carlos Turner Cortez	Marlene Taylor	Susie Harborth
Ed Hidalgo	Mitch Mitchell	Sunny Cooke
Jamie Latiano Jacobs		

Members Absent

Andy Berg	John Ohanian	Nick Macchione
Eric Robles	Lee Goodman	Steve Redding
Erik Caldwell	Matt Kriz	Tom Lemmon

All reports, memoranda and letters contained in the agenda or distributed at the meeting shall by this reference become part of the original minutes.

The meeting was called to order by Marlene Taylor, at 8:08a, at SDWP, with a quorum present.

M. Taylor welcomed Jamie Latiano Jacobs and Susie Harborth to the Board.

The following items were approved:

1-02/09/2017 - Item 1 **Minutes of the November 10 WDB Meeting**
Approve the November 10 WDB minutes.
Motion, Second, Carried Unanimously (Cortez/Taamilo)
Abstentions: Jamie Latiano Jacobs and Susie Harborth

2-02/09/2017 - Item 2 **Workforce Accelerator Fund 4.0, Code for America**
Approve a \$250,000 service agreement with Code for America, which will be matched by \$250,000 of CfA funds.
Motion, Second, Carried Unanimously (Passons/Cafferty)

DISCUSSION

A. Picard reviewed the goal of the Workforce Accelerator Fund 4.0 CfA grant to develop an electronic tool that helps improve the use and service delivery of our AJCC services.

3-02/09/2017 - Item 3

Disability Employment Initiative, KRA Budget Modification

Approve a contract modification of KRA’s current contract (operations of the Metro region AJCCs) to add \$98,133 for the first program year of the Disability Employment Initiative.

Motion, Second, Carried Unanimously (Blair/Lewis)

DISCUSSION

M. Mitchell asked how the program will define “disability” and its segments, and if it will focus on one segment. Staff responded that this program has a broad interpretation of disability, physical, mental and emotional disabilities are included. Services provided are based on individual needs.

Non-Agenda Public Comment

Mark Hansen, Heartland Coalition made public comment about the YouthBuild program and partnership opportunities.

Presentation

Board Member Spotlight – Ed Hidalgo, Director, World of Work Initiative – Mobile Technology Learning Center at The University of San Diego.

P. Callstrom congratulated Richard Barrera on his new position as Board President, San Diego Unified School District.

The following items were discussed:

4-02/09/2017 - Item 4

C2C Update and Vision

K. Noar reviewed the C2C 2016 accomplishments and 2017 vision

5-02/09/2017 - Item 5

WIOA Transition, Performance, and Planning

A. Hall provided an update on efforts related to the WIOA programs. This included a review of official performance from the State. SDWP achieved or exceeded all its goals.

6-02/09/2017 - Item 6 **President & CEO Report**

- TechHire Initiative – Through the TechHire initiative, the City of San Diego, the SDWP, and its partners are looking to help more than 1,000 youth and young adults, including 150 veterans begin their careers in coding and cyber security.
- Accelerator Incubator – SDWP has partnered with REDF and Mission Edge to launch the Social Enterprise Accelerator, a public-private initiative investing \$245,000 in funds and technical assistance to nine San Diego social enterprises who have committed to training and hiring underserved residents.
- Flip the Script Youth Summit – Event will be held April 13 at the Jacobs Center and focus on reconnecting opportunity youth in San Diego County.

Adjournment

The meeting was adjourned at 9:36a.

Next meeting is May 4, 2017.

Item #2: RFP Framework – Operations and Management of America’s Job Centers of California (AJCC) Network

INFORMATION ITEM – NO ACTION REQUIRED

For the last 12 months, SDWP has been planning the release of a Request for Proposals (RFP) to procure services for the AJCC Network. The AJCC network – and the contractors that operate it – are funded through the U.S. Department of Labor (DOL) Workforce Innovation and Opportunity Act (WIOA) Adult and Dislocated Worker programs, County of San Diego Expanded Subsidized Employment (ESE) and DOL Workforce Innovation Fund (WIF) grant programs.

As a result of this planning, SDWP is considering two significant shifts in the AJCC management and contracting structure to improve the effectiveness, quality, and consistency of AJCC services:

- Procure one lead contractor to be the prime contractor and singularly accountable for the AJCC system (currently the AJCC network is managed through four separate contracts with three different organizations); and
- Shift the administration of training funds directly to the procured AJCC operator (currently, SDWP administers these funds separately from AJCC contracts).

The changes proposed in the RFP framework are intended to bring operational and cost efficiencies and improvements to both the employer and job seeker experience, as discussed in further detail below.

Planning Process

Beginning in May of 2015, the Adult Programs Committee, Workforce Development Board and SDWP staff have taken the following steps to identify and understand community priorities, and plan for the release of the RFP:

Phase 1: Data Analysis	A. 12 town-hall style community conversations B. Customer satisfaction surveys C. Mapping demographics, performance data analysis
Phase 2: Strategic Planning	A. APC Retreat (August ‘15) B. AJCC RFP Town Hall sessions
Phase 3: Development of WIOA regional and local plan	A. MOU Phase 1 (June ‘16) B. Submit Local & Regional WIOA Plan to State (March ‘17) C. MOU Phase 2 – Infrastructure cost sharing (draft)
Phase 4: RFP Process	D. WDB Approve RFP Framework (June 15 th board mtg) E. RFP Draft Release (June ‘17) F. RFP Final Release (August ‘17) G. Proposals Due (October ‘17) H. Evaluation and Board Approval (Nov/Dec ‘17)

RFP Focus Areas

a) One AJCC Service Provider for County of San Diego

Proposals would be required to demonstrate how they will serve all four regions of San Diego County. A shift to a single provider will promote a standardized and streamlined experience for employers and job seekers regardless of geography, leverage economies of scale and increase regional collaboration with partners. One service provider increases cost-efficiencies in opportunities to leverage support staff across the regions (i.e. one accountant, one site manager, one HR representative).

The proposal must also demonstrate how the provider will administer training funds (On-the-Job-Training and Individual Training Accounts), from agreement through invoicing and payment. Administration of the training funds by the single provider will make the process for employers/providers more efficient as the AJCCs already work with these organizations directly to establish training agreements and generate necessary documentation. SDWP will continue to provide oversight and monitoring for all training funds.

b) Partnerships

Proposals will be required to demonstrate local partnerships and gather agreements in writing for how they build a network of partners with community-based organizations, government agencies, education providers and other relevant workforce partners to deliver the best possible outcomes for the county.

c) Employer Connections

Proposals will be required to describe their relationship with employers and strategy for job development as well as the impact that their programs will have in meeting employer needs with the highest levels of satisfaction.

d) Understanding Target Population

Proposals will be required to demonstrate their understanding of the demographics of the four regions in San Diego, from both a customer and business perspectives, and outline how they will address the specific needs of each region and the network.

e) Access Points

Proposals will be asked to demonstrate how they will create in-kind partnerships and strategies to increase the cost-effectiveness and physical access points and presence of the AJCC Network throughout the region.

f) Performance

Bidders will be required to submit projected performance targets above and beyond SDWP's minimally required performance to demonstrate their capacity and ability to deliver increased results for their region. This includes demonstrating how they will achieve both outcome and impact metrics for both employers and job seekers.

Guiding these projected performance targets will be the required DOL performance measures and all local performance measures as set by the WDB. Some measures are still being defined by DOL. Below are measures in the contract that align with the primary measures SDWP is held to

by the state and represent the baseline that bidders will use to develop their performance outcome and long-term impact measures to be submitted in their bids.

AJCC Network Performance Measures Targets		
Measures	Description	Contract Target
Adults		
1. New Enrollments	Number of new participants enrolled into the program	To be negotiated
2. Entered Employment	Exited participants employed during the follow-up quarter	75%
3. Credential Attainment	Exited participants who received a license/certificate	85%
4. Measurable Skills Gain	Participants who improved in a skill related to the training or education service they received	New, TBD
5. Effective employer services	Employer satisfaction, retention of employees and penetration	New, TBD

Term of Procurement

An initial one-year period with the option to extend contracts for three (3) additional one year periods based on need, performance and funding availability. The period of performance for the first contract year will begin July 1, 2018 and end June 30, 2019.

Geographic Distribution of Funds

SDWP anticipates that full funding allocations (administrative and programmatic funding) will be known on or about the time of the final negotiations of contracts in Spring 2018. Funding for WIOA and WIF services will be allocated according to SDWP’s geographic distribution formula. Figure 2 below shows the estimated project funding available by region based on current, approved geographic distribution. The amounts below are subject to change based on available funding at the time of contract award:

Region	Geographic Distribution – Adult	Geographic Distribution – DW	Projected WIOA Adult	Projected WIOA DW	Projected ESE *	Projected WIF Funding
Metro	38.2%	37%	\$1,533,111	\$1,701,633	\$222,487	\$ 449,780
North	25.27%	24.2%	\$ 682,148	\$ 870,241	\$ 85,572	\$ 200,127
South	18.95%	19.3%	\$ 723,491	\$ 691,531	\$172,699	\$ 212,256
East	17.59%	19.5%	\$ 506,444	\$ 621,601	\$177,367	\$ 148,579
Total	100%	100%	\$3,445,194	\$3,885,006	\$658,125	\$1,010,742
Grand Total: \$8,999,067						

*Based on performance (i.e. - number

**This amount does not include the amount reimbursed to employers and/or training providers.

Selection

Funding will be awarded based on the proposals submitted and recommendation by an RFP scoring panel made of board members and local/national experts.

Item #3: Eligible Training Provider List (ETPL)

INFORMATION ITEM – NO ACTION REQUIRED

In Program Year 15/16, SDWP invested \$3,610,268 for 732 American Job Center (AJCC) participants to attend classroom-based training programs across the county through Individual Training Accounts (ITAs).

Participants going through the job centers work with career coaches to identify their skills, interests, abilities, study growing careers in the region, and select training programs from the Eligible Training Provider List (ETPL). This process for selecting and funding training programs is outlined in the federal WIOA legislation and in State of California Employment Development Department guidance.

As SDWP continues to implement both the letter and the spirit of WIOA, staff have been analyzing different approaches to administering these funds to better align with local needs, priorities and assets. Within the context of SDWP and the community college system's joint regional plan, and after integrating financial and training outcome data, SDWP staff are exploring a new approach to ETPL administration.

Current state

SDWP's current ETPL policy, guided by federal and state regulatory oversight, requires that providers meet the following elements to get on and stay on the ETPL:

- Institution must be recognized by an accrediting agency (i.e. Western Association of Schools and Colleges (WASC), Accrediting Council for Continuing Education and Training (ACCET), and other DOE groups).
- Most schools or institutions applying for inclusion on the ETPL must possess "approval to operate" or exemption status from the Bureau for Private Postsecondary Education (BPPE). Notable exceptions include public schools or institutions, such as community colleges, state-approved apprenticeships or school districts — these only need an accreditation.
- Institutions must train for jobs that are considered in-demand or higher in-demand based on research by SDWP.
- Institution must have and maintain a 64% "Entered Employment" rate for participants in each program – that is, 64% of students must be working six months after program completion. Brand new programs have 18 months to meet this requirement.

These standards reflect the state guidelines. However, local boards have the opportunity to create additional local policy to best align ETPL investments with local needs and priorities.

Proposed changes

SDWP has conducted a recent review of our existing providers and is exploring ways to ensure that all providers on the ETPL are equipped to meet the needs of our local population. Key additional guidance being considered includes:

- Course fees are competitive with similar offerings in the region and are equal to or less than the published rate on the institution’s website or catalog.
- Training Provider has been in operation for at least six months and is financially solvent without need of subsidy from WIOA training.
- Training Provider provides notice of changes in accreditation, approval to operate, and proposed changes in price.
- Provider has not been debarred from doing business with the Federal Government.
- Training Provider is committed to meet targets designated by SDWP, specifically:
 - 75% Completion rate for WIOA participants.
 - 85% Credential attainment rate for WIOA participants.
 - 75% Entered Employment rate for WIOA participants. For monitoring purposes the employment rate is determined at the point in time per participant at each follow-up for up to four quarters.
 - 50% Self Sufficiency rate for WIOA participants. This is defined by at least 50% of participants benefitting from ITA funding support who earn what constitutes a self-sufficient wage in San Diego County, currently at \$13.09 per hour. All other participants must be in jobs which lead to this wage (e.g. demonstrated career ladder).

Programs are subject to continuous monitoring as student outcome data is made available. SDWP is committed to the success of ETPL providers and will take a proactive approach in making performance data available; however, SDWP may delist a program if there is reasonable evidence that the program is underperforming or unable to comply with administrative requirements.

Anticipated Impact

- More outcomes-focused funding and policy decisions
- Training investments more aligned to SDWP’s researched career pathways
- Less private providers building business models around WIOA funding
- More proactive approach to engage public institutions (community colleges, apprenticeships, adult education) in leveraging training costs.
- Greater transparency to existing and potential trainers on qualifications and expectations.
- Qualified training programs that have high recognition value in the community can result in greater job opportunities for participants.

The above will be reviewed annually to verify that the training provider remains in good standing and to adjust the performance targets as appropriate.

This additional level of rigor will, in light of expected reductions in WIOA funding, enable SDWP to ensure training funds are efficiently and effectively applied to equip Adult and Dislocated Workers with the necessary skills, knowledge and experience for employment.

Item #4: Contract Performance Dashboard

INFORMATION ITEM – NO ACTION REQUIRED

The following executive snapshot provides a high-level overview of contractors, programs, and performance year to date. More information on specific programs will be provided through additional information and/or action items.

“Performance” is an indicator of whether the subrecipient is meeting their target outcomes as well as compliance with contractual obligations.

Green	Yellow	Red
In compliance and on track to meet all metrics.	Minor corrective action or slightly below performance standards.	Out of compliance, unable to meet contractual goals and significant corrective action required.

Adult (Serving individuals 18+) - \$9,824,029 in Obligations

Contractor	Program Name	Funding Stream	Contract Total
ResCare (South)	Adult/Dislocated Workers	Department of Labor (DOL)	\$1,415,022
	Expanded Subsidized Employment (ESE)	County of San Diego	\$ 172,699
	Breaking Barriers San Diego	DOL-WIF	\$ 212,256
ResCare (North)	Adult/Dislocated Workers	WIOA	\$1,552,389
	ESE	County of San Diego	\$ 85,572
	Breaking Barriers San Diego	DOL –WIF	\$ 200,127
KRA (Metro)	Adult/ Dislocated Workers	DOL	\$3,234,744
	Breaking Barriers San Diego	DOL – WIF	\$ 449,780
	ESE	County of San Diego	\$ 222,487
Grossmont Unified (East)	Adult/ Dislocated Workers	WIOA	\$1,178,045
	ESE	County of San Diego	\$ 177,367
	Breaking Barriers San Diego	DOL –WIF	\$ 148,579
Second Chance	Reentry Works 1	DOL	\$ 387,481
	Reentry Works 2	DOL	\$ 387,481

Youth (Serving individuals 16-24) \$5,900,910 in Obligations

Able Disabled Advocacy	(Metro) Out of School Youth (OSY)	WIOA	\$ 510,000
Access, Inc.	(Metro)	WIOA	\$ 460,000
	(East) OSY		\$ 459,000
	(North) OSY		\$ 460,000
	(South) OSY		\$ 400,000
	(Metro) Foster Youth		\$ 247,500
	(County-Wide) Foster Youth SPA		\$ 432,000
BIOCOM Institute	(County-Wide) OSY - Life Sciences	WIOA	\$ 275,000
Comprehensive Trng Systems	(South) OSY	WIOA	\$ 343,040
Interfaith Community Svcs	(North) OSY	WIOA	\$ 456,221
IRC	(East) OSY	WIOA	\$ 237,500
SD Continuing Education	(Metro) OSY	WIOA	\$ 437,600
Second Chance	(Metro) OSY	WIOA	\$ 450,000
South Bay Community Svcs	(East, South, North) Foster Youth	WIOA	\$ 302,500
YMCA	(North) OSY	WIOA	\$ 430,539
Total			\$15,724,929

Item #5: Corrective Action: Comprehensive Training Systems (CTS)

INFORMATION ITEM – NO ACTION REQUIRED

In accordance with SDWP’s policies outlined in the Operations Manual, Chapter 8, CTS was placed on corrective action for the following contractual deficiencies found during file review and the annual monitoring process: Enrollments & Performance, Monitoring Findings, Data Entry and Fiscal. Per the corrective action, CTS was required to demonstrate that all the observations/findings were corrected via a response to the draft audit report by April 14th.

As of April 14th, CTS had not addressed all the contractual deficiencies; given this, SDWP does not anticipate executing future option years of the CTS contract (PY16-17).

BACKGROUND

CTS was selected through the evaluation process and approved by the Policy Board on April 29, 2016 to provide workforce service in the South Region of San Diego County. The contract amount is \$343,040 to serve 61 of Out of School Youth per year, with primary performance measures of placing 72% in education or employment and a 60% attainment of degree or certificate. The period of performance for the first year began July 1, 2016 and ends June 30, 2017.

Since the beginning of the program year, SDWP program specialists have performed file reviews of 15 CTS files (November & March) and a third-party monitor, Simpson and Simpson, has completed Phase I programmatic monitoring (February) of the contract. The internal file review noted issues with data entry and compliance; CTS was provided the opportunity to address and close out the findings but did not do so in a timely manner.

Subsequently, Simpson and Simpson’s external monitoring in February identified 46 programmatic and fiscal findings, including concerns regarding separation of duties, disallowed costs and CalJOBS reporting compliance (enrollments, performance, data entry). Many of the issues identified were the same as those found during internal file review in November indicating a trend of non-compliance. Simpson and Simpson noted that this is the highest number of findings of any Youth or Adult contract monitored this year.

SDWP has provided extensive technical assistance to CTS, beyond the training given to all WIOA Youth providers, since the inception of the contract and has also provided detailed guidance on the steps necessary to address each of the open findings. To close all the programmatic and fiscal findings, CTS is required to submit a corrective action plan, participate in weekly meeting with Program Specialist, provide regular updates detailing progress against their plan and attend required training. SDWP has provided several additional technical assistance opportunities, as well as hosted multiple in-person meetings with SDWP’s programs and leadership team to support CTS in the corrective action process.

SDWP’s contracts follow standard practice with a base year and option year structure; execution of option years is contingent on organizational “need, performance, and availability of funds.”

Item #6: **New Initiative: Center for Local Income MoBility**

INFORMATION ITEM – NO ACTION REQUIRED

SDWP has launched a new initiative, the Center for Local Income MoBility or CLIMB. CLIMB will spin up opportunities for SDWP to invest in families and in children - the very front end of the workforce pipeline.

SDWP currently supports workforce development for older youth and adults, ages 16 and above. Many of our customers were unsuccessful in their prior education experiences, are new to our country, or their skills and expertise have been made less valuable or obsolete in our rapidly evolving economy.

We are creating new capacity and commitment through CLIMB to expand our work. We are driven by **three big ideas**:

1. **Income mobility:** Based on compelling research pioneered by big-data scholars (see [The Equality of Opportunity Project](#)), we will support children and families in ways that best predict income mobility – moving up the economic ladder to the middle class or beyond.
2. **Prevention:** Support children and youth to access quality education opportunities that put them on track to earn a post-secondary degree or certificate and family-sustaining wages. Prevention is cost effective and delivers a higher return on investment than remediation or intervention after young adults have fallen out of the education and/or labor market.
3. **2Gen:** Families are social ecosystems, and when we invest only in one generation of that ecosystem, such as the employment of a parent, we miss a critical opportunity to assure long-term economic security for the whole family. CLIMB will help SDWP join a national movement called 2Gen – simultaneous investments in the education and skill attainment of parents and their children. When we do this, we will realize a triple workforce bottom line: skills of the parent(s), workforce participation and stability of the parent(s) because their children are in quality child care, and improved workforce trajectory for the child(ren).

It will take some time to build this portfolio, but we are launching with three major projects and more on the horizon focused on 1) food security and the CalFresh program in partnership with the County of San Diego, 2) A research project in partnership with the San Diego Regional Chamber of Commerce on the family supports (i.e. child care, paid family leave, etc.) offered by San Diego employers, and 3) developing a prenatal to 3rd grade (p3) early childhood development and care model for parents and children in Vista Unified School district.

Item #7: Committee Update (Adult, Youth, Audit, Executive)

INFORMATION ITEM – NO ACTION REQUIRED

Committee chairs will provide updates.

Item #8: CEO & Staff Report

INFORMATION ITEM – NO ACTION REQUIRED

Staff will provide an update on key milestones and organizational updates.

Item #9: Closed Session

The public meeting will adjourn and the WDB will enter into a closed session to discuss anticipated litigation (Government Code §54956.9(d)(4)).