



Workforce Development Board Agenda

Date: Thursday, August 15, 2019

Time: 8–9:30 a.m.

Place: Workforce Partnership, 9246 Lightwave Ave. 1st Floor, San Diego, CA

Welcome and Introductions

- Phil Blair (Chair) calls the meeting to order.
- Non-agenda public comment.
- Anniversary Proclamation - Councilmember Bry's office (approx 9am)

Action Items

- Item #1: Minutes of the June 13, 2019 WDB Meeting
- Item #2: FY 2019-2020 Officer Elections

Information Items:

- Item #3: Faces of Workforce: Pam Olvera and Robert Chavira
- Item #4: Five Strategic Pillars: Key Performance Indicators
- Item #5: Career Center System Update
- Item #6: Workforce ISA Fund: Quarterly Financial and Impact Report
- Item #7: Committee & Work Group Updates
- Item #8: CEO report

Next Meeting: October 17th, 8am – 9:30am

PUBLIC COMMENT: Members of the public may address the Board on issues on this agenda (three minutes per subject) and/or other items within the Board's scope. To speak, submit a "Request to Speak" form prior to the meeting. The SDWP will provide accommodations to persons who require assistance. Questions: (619) 228-2900.

Item #1: Minutes of the June 13, 2019 WDB Meeting

Members Present

Phil Blair, Chair	Shandon Harbour	Omar Passons
David Blake	Ed Hidalgo	Ricky Shabazz
Mary Burton	Sean Karafin	Nancy Smith-Taylor
Christina Bibler	Matt Kriz	Mark Starr
Sunita Cooke	Barb Krol	Sammy Totah
Carlos Turner Cortez	Tom Lemmon	Rick Vaccari
Dennis DuBard	Ky Lewis	

Members Absent

Kevin Alvin	Pam Murray	Annie Taamilo
Andrew Berg	Althea Salas	Carmencita Trapse
Keith Maddox	Sandra Shuda	Michael Zucchet

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

Call to Order

The meeting was called to order by P. Blair, at 8:04 a.m. with a quorum present.

Non-Agenda Public Comment

None.

Action Items

Item 1 Minutes of the April 18, 2019 WDB Meeting

Motion: WDB approves the meeting minutes.

Moved (S. Karafin), Seconded (T. Lemmon), Carried Unanimously

Item 2 New Member Nominations

Motion: WDB approves the nomination of the Executive Committee for Kevin Johnson and Dr. Nabil Abu-Ghazeleh to join the board.

Moved (D. DuBard) Seconded (C. Turner Cortez), Carried unanimously

Item 3 FY 2019/2020 Organizational Budget

Ellen Class, CFO, presented the budget and reported a revenue decrease from \$31.7 million to \$29.9 million, with a decrease in DOL 'formula funds' by 9.5%. Cuts are due to various factors in the formula and affect all public workforce entities. The budget also reports an increase in private sector support by 54.9%, primarily attributable to the ISA program. A. Hall echoed the impact ISA's have had in the diversification of funds and SDWP's ability to serve more individuals.

Motion: WDB approves the FY20 June budget.

Moved (S. Karafin), Seconded (C. Bibler). Carried unanimously.

Item 4 2017 Tax Return & 990

E. Class reviewed the tax return.

Motion: WDB approves the 2017 Tax Return & 990.

Moved (S. Totah), Seconded (M. Burton). Carried unanimously.

Item 5 Contract Renewals: Youth Providers

Andrew Picard, VP of Operations, provided a description of the programs, procurement cycle, and performance goals. O. Passons requested a short presentation on the performance algorithm at a future WDB meeting. S. Karafin asked if the 75% placement and retention expectation is an appropriate goal for all populations. A. Picard responded that while some latitude is given to each provider, the state of California gives SDWP one goal for the region. A. Picard also mentioned that in the upcoming procurement for the youth system, there is an opportunity to explore different goals for different providers.

Motion: WDB approves the contract renewals.

Moved (S. Harbour), Seconded (D. Dubard), Carried unanimously.

Abstentions: C. Bibler, P. Blair, C. Turner Cortez

Item 6 Contract Renewal: KRA Corporation

A. Picard reviewed the funding sources, programs and quarterly performance of the KRA Corporation contract for the operation and management of the AJCC network. E. Hidalgo commends the outreach team of the El Cajon Career Center location for their efforts to bring the services into the high schools and collaborating the school district. C. Turner Cortez commented that the centers have been run by the adult schools in the past.

O. Passons asked if WDB can be briefed further in advance and throughout the year to allow for a deeper understanding of the critical issues, challenges, and opportunities through the career center network prior to renewing contracts. C. Turner Cortez affirmed the need for more information. A. Hall shared that these contract renewals happen once a year and agreed that more can be done during the year the keep the board updated through various committees and board meetings, beginning with informational items that go beyond whether or not KRA is hitting their metrics. He also shared that this was year 1 of a large contract with leases and IT and staffing start up time requirements in East, South, and North County. D. Blake expressed the need to understand more about the responsibility of the board as it relates the career center network. A. Hall thanked the board for the feedback.

Moved (K. Lewis), Seconded (N. Smith-Taylor)
Abstentions: O. Passons
Opposed: D. Blake, C. Turner Cortez

Information Items

Item 7 Strategic Deep Dive — Reentry Works

Chair David Blake introduced Kristen Walker, Manager of Programs, and Daniel Enemark, Sr. Research Analyst. Walker and Enemark presented an update on the Reentry Works program, a collaborative initiative between SDWP and the Sherriff's Department. Board members were invited to attend the community town hall immediately after the board meeting.

Item 8 Committee and Working Groups Update

A. Hall highlighted the upcoming event in partnership with Strada Education Network on August 14, 2019 at Torrey Pines Lodge.

Item 9 Board Officer Elections at August Meeting

P. Blair shared that the next board meeting will include elections for the Chair, Vice Chair, and Secretary/Treasurer of the board at the next meeting.

C. Turner Cortez highlighted the need for diversity suggesting more recruitment into WDB and outreach with the African-American and Latino Chambers of Commerce. O. Passons agreed, suggesting more outreach, including Business for Good. A. Hall thanked the board members for this important feedback.

Item 10 CEO and Staff Update

A. Hall briefly called WDB's attention to the articles included with the agenda that highlighted SDWP in local and national media. A. Hall also thanked WDB for its engagement over the past year. In the interest of time and with the Reentry town-hall beginning immediately after, there were no other updates.

Adjournment

The meeting was adjourned at 9:35 am.

Item #2: FY 2019-2020 Officer Elections

Recommendation:

The WDB vote on the Chair, Vice Chair, and Secretary/Treasurer of the board of directors for the one-year term ending in June 2020.

Process:

On July 22nd, the executive committee voted to move forward the following nominations of the full board:

1. **Chair:** Sam Totah, Kaiser Permanente
2. **Vice-Chair:** Althea Salas, San Diego Tourism Authority
3. **Secretary/Treasurer:** Rick Vaccari: Sempra Energy

A sheet with these names, as well as an opportunity for a write in candidate in each slot, will be provided to each board member. SDWP will collect and tally the votes and will report the results to the chair, who will ask for a vote from the board.

Background:

Each year, the board's three officers are voted into office. Board officers can serve a two-year term. See attachment A - SDWP's bylaws.

Attachment A: WDB Board Bylaws (Article V: Excerpt)

The officers of the Corporation shall be a Chair, Vice-Chair, and Secretary/Treasurer of the Corporation who shall be elected annually from the Directors by the Board at the Board's Annual Meeting.

- A. ***The Chair of the Board** shall preside at all meetings of the Board, and of the Executive Committee. The Chair shall be an Ex-officio member of all Committees. The Chair shall exercise all authority and execute all instruments authorized or directed by the Board and shall perform all duties incident to the office of Chair of the Board and such other duties as prescribed by the Board from time to time. The Chair of the Board must be a private sector representative.*
- B. ***The Vice-Chair**, in the absence of the Chair or at the request of, or in the event of the Chair's inability to act, shall perform the duties of the Chair of the Board, and when so acting, the Vice-Chair shall have all powers of and be subject to all the restrictions upon the Chair of the Board. Upon the death, resignation, or removal of the Chair, the Vice-Chair shall assume the office of the Chair of the Board. The Vice-Chair shall perform such other duties as may from time to time be assigned by the Chair of the Board or by the Board of Directors. The Vice-Chair must be a private sector representative.*
- C. ***The Secretary/Treasurer** shall be responsible for ensuring the proper recordkeeping of the minutes of the meetings of the Board, and of the Executive Committee. The Secretary/Treasurer shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law and shall see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized or required. The Secretary/Treasurer shall monitor the financial activity of the Corporation and report to the Board. All accounts shall be audited annually by a Certified Public Accountant approved by the Board. The Secretary/Treasurer or such other persons as may be designated by the Board shall countersign all checks, drafts, or orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation above specific amounts approved by executive committee.*
- D. *Officer terms shall commence in July and shall be for two (2) years, subject to earlier removal by the Board using the procedures contained in Article IV, section H.1. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.*
- E. *A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.*

Item #3: Faces of Workforce – Pam Olvera and Robert Chavira

INFORMATION ITEM – NO ACTION REQUIRED

Pam Olvera, guest and small business owner of Northside Shack will share her career journey and how SDWP helped her launch her business. She will be joined by her son, Robert Chavira who is a member of the inaugural cohort of the Workforce ISA fund and currently attending digital marketing courses at UCSD Ext.

Link to learn more about Pam's story:

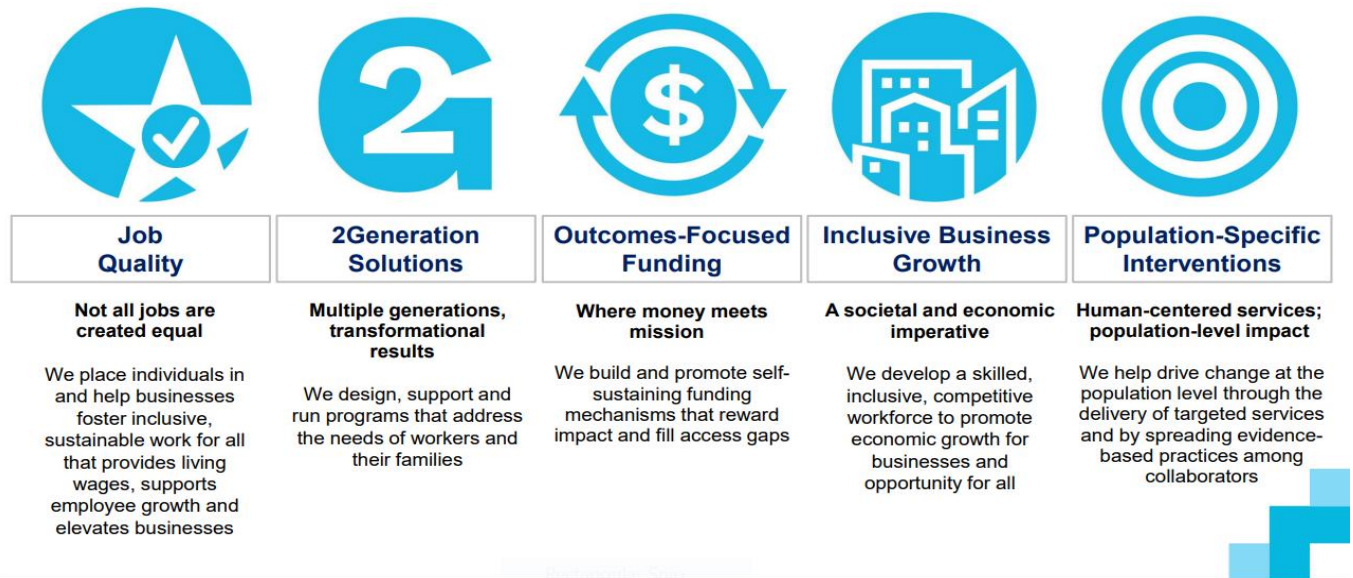
<https://workforce.org/news/single-mom-uses-free-training-to-switch-careers/>

Item #4: Five Strategic Pillars: Key Performance Indicators

INFORMATION ITEM – NO ACTION REQUIRED

On February 15th, 2019, the board approved SDWP’s local and regional plans. SDWP staff submitted these to the State of California WDB, which included five strategic pillars that SDWP is focused on from now through 2025:

Our Five Pillars



Over the last several months, SDWP staff have been working to align individual and department level activities and goals to these pillars.

Brooke Valle, SDWP’s Strategy Officer, will provide an update on this planning and facilitate a discussion with board members about considerations, questions, and opportunities to execute on this strategic framework in the coming years.

Item #5: Career Center System Update

INFORMATION ITEM – NO ACTION REQUIRED

Andrew Picard, VP of Operations will provide a report on the Workforce Partnership's network of six Career Centers, including key insights on community impact, a look at training investments, customer demographic and satisfaction data.

With over \$12M invested into the career centers, of which \$4M directly funds training and other participant services, this operation represents the largest program in the Workforce Partnership's portfolio.

Our career centers house 30 community partners, including the Employment Development Department, Department of Rehabilitation, County Health and Human Services Administration (HHSA) and many other organizations.

Some key highlights of the career center network:

- An estimated 75,000+ visitors per year
- 165,000 individual services provided
- 24,000+ unique individuals served
- >1,000 receive training funding investments

The Workforce Partnership funds six Career Centers:

1. Metro Career Center at 4389 Imperial Ave., San Diego
2. North County Coastal Career Center at 1949 Avenida del Oro, Oceanside
3. South County Career Center at 1111 Bay Blvd, Chula Vista
4. **New location:** 151 Van Houten Ave. El Cajon, CA 92020
5. Bank of America Merrill Lynch Career Center 330 Park Blvd. Room #555 San Diego, CA 92101
6. North County Inland Career Center (inside the County HHSA Veteran's Resource Live Well Center) 649 W. Mission Ave., Room 2400 Escondido, CA 92025

Career Centers services are available to all San Diego County job seekers 18 and over, regardless of income or background—at no cost. Participants gain access to:

- Employment opportunities
- Workshops and hiring events
- Low- and no-cost training and education programs for eligible job seekers
- Computers, internet, phones, printers and other technology to use for your job search
- Labor market information—learn what industries are hiring for what skills
- Typing certificate and Microsoft Word classes
- Priority service for veterans and their spouses

For more information, visit: <https://workforce.org/career-centers>

Item #6: Workforce ISA Fund: Quarterly Financial and Impact Report

INFORMATION ITEM – NO ACTION REQUIRED

Annie Taamilo, board member and 'Future of service delivery' work group Chair, and Parina Parikh, Director of Programs, will provide an update regarding the first quarterly financial and impact report of the fund found in attachment A.



Workforce Income Share Agreement Fund

It's not a loan, and you're not alone

Quarter 2, 2019

Impact & Financial Report as of June 30, 2019



A Note from the Workforce Partnership

This is the first quarterly financial and impact report of the Workforce Income Share Agreement (ISA) Fund. Each quarterly report will provide reporting and analysis on a range of financial and social impact metrics and forecast the quarter and year ahead.

I first heard about ISAs as an alternative financing model for post-secondary education and workforce training in 2014. I was drawn to the aligned incentives between students, schools, and funders. The concept of a “renewable learning fund” resonated with me as federal investments in job training have been cut by over 50% over the last 15 years. More and more of our customers were leaving our career centers frustrated that we did not have any training funding to help them get the skills, certifications, and credentials they needed to prosper in their careers. At the same time, San Diego businesses were reporting skill-shortages as the number one issue holding back their growth. ISAs struck me as a useful tool to help solve for both problems.

We are not the first to deploy ISAs to finance post-secondary education. Many traditional higher-education institutions, start-up training providers, and other innovators and organizations have come before us. But as far as we know, we are the first public Workforce Development Board to use ISAs in advance of our non-profit’s mission:

To empower job seekers to meet the current and future workforce needs of employers in San Diego County.

Innovations in the social sector have real impacts for real people. We recognize the significant risks and challenges of this new financing vehicle. We do not take this lightly. Well before we put together this program, we outlined some non-negotiables of our fund that guide how we raised money, designed

programs, and set the terms of our ISA contract.

The Workforce Partnership and our partner schools, funding partners, board, and other stakeholders are committed to transparency. As a public benefit non-profit organization working in the ISA space, our strategies, methods, data, performance, and challenges should be visible, shared, critiqued, and evaluated. Our successes should be used as a model for other mission-driven actors in the ISA space. Our failures should be shared and learned from. We should be held accountable for our commitments to access, diversity, and consumer protection while we work toward building a sustainable, scalable structure for workforce financing.

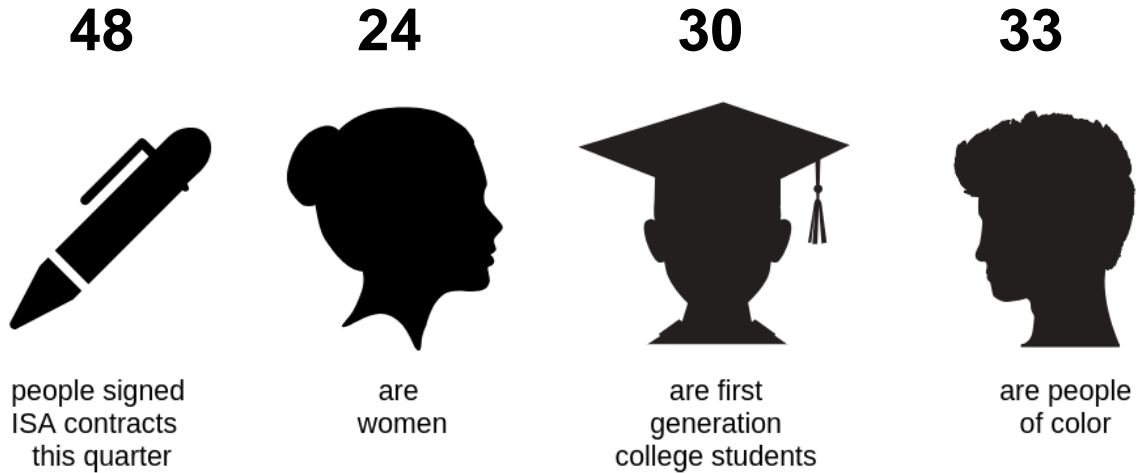
Thank you for your interest in this important work,



Andy Hall
COO, SDWP



HIGHLIGHTS FROM THE QUARTER



In May, we announced the Workforce ISA Fund and launched it for the San Diego community we serve. We undertook our first-ever ISA recruitment process and—just a few weeks ago—began our inaugural classes in business intelligence and digital marketing through UC San Diego Extension. Over 450 individuals expressed interest in being a part of our first cohort, 185 of whom completed applications. From this group, 83 individuals were offered ISA contracts and 48 signed and joined the program.

Program Measures (CY 2019) *

	Q1	Q2	Q3	Q4	YTD	All Time
Applications started	0	463			463	463
Complete Applications	0	185			185	185
Qualified candidates	0	124			124	124
ISAs offered	0	83			83	83
ISA signed	0	48			48	48
ISA offered/signed rate	0	58%			58%	58%

*Figures are accurate as of July 1st, 2019.

Educational Programs of the Workforce ISA Fund

Our first educational partner is UCSD Extension, with whom we launched four certificate programs. The table below outlines the terms that are offered to participants who wish to join one of these programs.

UCSD Extension Certificate	Course Length	Cost (per person)	Income share** (%)	Number of payments	Payment cap+	Payment window~
Business Intelligence	9 months	\$6,500	8%	48	\$11,700	6 years
Digital Marketing	9 months	\$6,500	8%	60	\$11,700	7 years
Front-End Development	12 months	\$6,500	7%	40	\$11,700	5.5 years
Java Programming	12 months	\$6,500	6%	36	\$11,700	5 years

**The income share is only payable when a participant is making in excess of \$40,000 a year.

+The payment cap is 1.8x the total cost per person and is the maximum that a participant can pay back to the fund.

~The payment window is the period within which the participant can make the required payments. Once this period ends so does their obligation, regardless of overall payment status.

IMPACT KEY PERFORMANCE INDICATORS

The table below will track the key indicators of social impact that we plan to track and hold ourselves to as people start coursework, complete a certificate program, and enter the workforce.

	Q1	Q2	Q3	Q4	YTD	All Time
# of people beginning coursework	0	48				48
# of people receiving a certificate	0	0				0
# placed in jobs above Min. Income	0	0				0
Average monthly income of live ISAs*	0	0				0
Median monthly income of live ISAs	0	0				0

*defined as total reported income during quarter of all active contracts divided by number of people and live ISAs

Financial Key Performance Indicators

	Q1	Q2	Q3	Q4	YTD	All Time
Total Funds Under Management	\$3.5M	\$3.5M	\$3.5M	\$3.5M	\$3.5M	\$3.5M
ISA contracts Active	0	48			48	48
ISA contracts in repayment period	0	0			0	0
Value of active ISAs*	0	\$312,000			\$312,000	\$312,000
Repayment rate	0	0			0	0
Default rate	0	0			0	0
Payments back to fund	0	0			0	0
Spend	(\$22,420)	(\$88,327)			(\$110,747)	(\$110,747)

*The total value of ISA contracts that have been signed; each one being valued at \$6,500

Q3 FORECAST AND KEY ACTIVITIES

Investment: With a successful first quarter behind us, the Workforce ISA Fund has begun recruitment to make additional investments. Java programming and front-end development classes will begin on September 23 and will conclude our 2019 financing round with a total of 100 students beginning coursework and \$650,000 invested through ISA contracts.

Operations: Q3 of 2019 will also be an important quarter for the funds ongoing operations. We will be finalizing our mentorship software platform and begin a big push to recruit one dedicated mentor for each program participant. The Fund will also look to hire a second full time career coach during the quarter and train them to be ready to commence recruitment for the first 2020 class.

Feasibility: The Fund will also explore additional career paths and education programs for 2020, both with UC San Diego Extension and other training partners. These include collaborating with local businesses for specific training and looking into other industries such as healthcare, the construction building trades, the drone aviation industry, and building maintenance. We expect to release a call for applications to collect information on additional interested training partners.

Policy: We will continue to partner on national legislative efforts aimed at establishing consumer protections and favorable tax treatment for consumers of ISAs. We helped inform the development and introduction of the bi-partisan [ISA Student Protection Act](#) in the US Senate (Young, Warner, Rubio, Coons) and will continue to share information about our program to federal legislators to help build sensible regulations around this growing industry.

Thank you for your interest in the Workforce ISA Fund.

Acknowledgements

Educational provider:

UC San Diego
EXTENSION

Founding sponsors:

 Google.org

 The James Irvine Foundation

 Strada
EDUCATION NETWORK

Item #7: Committee and Workgroup Updates

SDWP Committees

Formal standing committees of the board chartered by SDWP Bylaws and/or established by vote. Governed by the Brown Act.

Executive Committee

Board Members: Pending Vote by WDB at August 15th meeting.

Staff Lead: Peter Callstrom (CEO) Peter@workforce.org

Next Meeting: Generally 2 to 3 weeks prior to WDB meetings

Location: SDWP Corporate Offices - 9246 Lightwave Avenue, Suite 210

Purpose: membership, board engagement, board meeting planning, and strategic direction.

Audit Committee

Board Members: Rick Vaccari (Chair), Ed Hidalgo,

Community Members: Tracy Sandoval, SD County CFO, Rolando Charvel, CFO City of San Diego

Staff Lead: Ellen Class (CFO) ellenclass@workforce.org

Next Meeting: Thursday October 24, 2019 10:00am to 11:30am

Location: SDWP Corporate Offices - 9246 Lightwave Avenue, Suite 210

Purpose: to assist the WDB in fulfilling its oversight responsibilities for the accounting and financial reporting process, internal controls, the audit process, and SDWP's governance structure.

SDWP Working Groups

Informal groups working on specific topic areas
Members include board members and community members

Reentry Services

Board Members: David Blake (lead), Carlos Turner Cortez, Kevin Alvin, Omar Passons, Ruth Salcido, Shandon Harbour, Tom Lemmon

Staff Lead: Andrew Picard, VP of Operations (andrewpicard@workforce.org)

Next Meeting: Reconvene when bids are submitted for forthcoming RFP

Purpose: to inform and expand SDWP's strategy to grow justice-involved programming for those reentering society from incarceration.

Opportunity Youth

Board Members: Currently recruiting for members for WIOA Youth procurement

Staff Lead: Andrew Picard, VP of Operations (andrewpicard@workforce.org)

Next Meeting: TBD

Purpose: to identify opportunities for board members to advise and support SDWP's wide-ranging programs, services and leadership around opportunity youth.

Update: This group is being restructured to include board members and community leaders to help design, release, and evaluate RFP submission from organizations bidding on SDWP's Workforce Innovation Opportunity Act (WIOA) Youth programs for 16-24 year olds. Each year, SDWP invests approximately \$5M to winning bidders to serve 2,500+ youth and young adults.

Priority Sectors/Occupations & Awareness

Board Members: Ed Hidalgo, Ricky Shabazz

Staff Lead: Sarah Burns, Director of Research & Eval (SarahBurns@workforce.org)

Next Meeting: August 15, 2019

Purpose: to inform applications for SDWP's priority sector & occupation research that will engage students, educators, parents and job seekers in exploration of our region's most promising career opportunities.

Update: Feedback from the committee is informing current iterations of 2-pagers, posters and an online experience. We plan for the 2-pagers and posters to be completed and available in early fall to coincide with the start of the new school year.

Industry Councils & Initiatives

Business led advisory groups that help SDWP design and execute workforce development strategies specific to sectors.

Healthcare Workforce Council

Board Members: Ky Lewis and Sam Totah (Co-Chairs)

Community Members: Multiple in healthcare leadership roles in the community.

Staff Lead: Scott Marchand & Shannon Tuhn

Next Meeting: August 14 from 7:30a-9:30am (Strada meeting – Torrey Pines Lodge)

Purpose: to validate labor market data with employer input; identify trends impacting large and small entities within the health care sector; explore innovative approaches to support the attraction, training, and retention of talent; and guide investment of funding in the sector.

Update: There are 4 job quality experiments in process with healthcare providers. The experiments will run through September with survey and data analysis to follow. Representatives from participating businesses will present findings at full council meeting in the fall. Preliminary data for ISA working group collected from three employers and will be shared with council.

Tech Workforce Council

Members: Jamie Latiano Jacobs and Kurling Robinson

Staff Lead: Scott Marchand & Shannon Tuhn

Next Meeting: August 14 from 7:30a-9:30am (Strada meeting – Torrey Pines Lodge)

Purpose: to create a plan to increase the pipeline of qualified candidates and to upskill incumbent workers for in-demand technology jobs in San Diego and Imperial Counties.

Update: Working Groups (Marketing, Training, and Sourcing) met to discuss challenge and map solutions for each group. Business Solutions is currently completing the first drafts for each group and will share with full council in early fall.

Service/Hospitality Initiative

Board Members: Althea Salas (Chair)

Staff Lead: Scott Marchand & Shannon Tuhn

Purpose: brainstorming ways SDWP can help fill entry-level jobs in collaboration with the hospitality industry's hiring and training needs.

Update: Two Career Launch Academy (CLA) hiring events have been held with the Hyatt: one at Grand Hyatt and one at Aviara - 38 individuals participated in the two events. As of July 1, four individuals have been hired. The first cohort of the City Heights Coffee House CLA has been completed and the second cohort started July 9. Currently working to find placements for the first cohort graduates.