



Policy Board Agenda

Date: Friday, May 26, 2023
Time: 1:00 pm
Place: City Hall
202 C St, San Diego, California 92101
City Council Committee Room - Floor 12

ACTION ITEMS:

Item 1: Non-Agenda Public Comment	3
Item 2: Minutes of the April 26, 2023 Meeting	4
Item 3: Internal Controls & Bank Signatories	7
Item 4: FY 22 Audit Report	8
Item 5: Programs Contract Renewals: WIOA Youth Contract Renewal Recommendations	9

INFORMATIONAL ITEMS:

Item 6: Organizational Update	12
Item 7: Update on City of San Diego Funding	13

CLOSED SESSION:

Item 8:	CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
	Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Government Code Section 54956.9: (One or More Potential Cases)
Item 9:	PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
	Government Code Section 54957(b)
	(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

Item 10: PUBLIC EMPLOYMENT

Government Code Section 54957(b)

Title: Executive Director of the San Diego Consortium

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 please complete a Public Comment Form. The SDWP will provide accommodations to persons who require assistance. Questions: (619) 228-2900.

Item 1: Non-Agenda Public Comment

Opportunity for members of the public to speak to the Policy Board on any subject matter within the Policy Board's jurisdiction but not an item on today's agenda.

Item 2: Minutes of the April 26, 2023 Meeting

Members Present

Monica Montgomery Steppe, Council President Pro Tem, City of San Diego, District 4 (Chair)
Sean Elo-Rivera, Council President, City of San Diego, District 9
Nancy Sasaki, CEO, United Way of San Diego County

Legal Counsel Present

David Powell, Deputy City Attorney, City of San Diego
Shiri Hoffman, Chief Deputy County Counsel, County of San Diego
Randall Sjoblom, Senior Deputy County Counsel, County of San Diego

Staff Present

Khaleda Atta, Chief Programs Officer
Desiree Daugherty VP of Customer Experience
Shaina Gross, VP of Client Services
Claudia Huerta VP of Business Engagement
Dennis Kingery, VP of Finance
Parina Parikh, VP of Sector Initiatives
Rick Vaccari, WDB Board Chair

Location

City Hall

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 Council President Pro Tem Montgomery Steppe at 9:12am, with a quorum present.

Non-Agenda Public Comment

Item 1 **Non-Agenda Public Communication**
None

Action Items

Item 2 **Minutes of the March 23, 2023 Meeting**
Motion: Board approves the meeting minutes.
Moved (S. Elo-Rivera), Seconded (N. Sasaki), Carried unanimously

Item 3

JPC Member Selection

As mentioned in the agenda, the Joint Personnel Committee (JPC) shall consist of six (6) members; three (3) members of the Consortium (Chair, Vice Chair, and appointee) and three (3) members of WDB (Chair, Vice Chair, and appointee)."

Rick Vaccari, (Chair) of the WDB, presented the nominees of the WDB as below:

- Rick Vaccari (Chair), VP of Investor Relations and Pensions (retired), Sempra Energy
- Jamie Gardner (Vice Chair), Director of Talent Acquisition & Employer Branding, Watkins Wellness
- Carol Kim (Appointee), Business Manager, San Diego Building & Construction Trades Council
- Efrem Bycer (Alternate) Senior Lead Manager, Public Policy and Economic Graph, LinkedIn

After discussion, the Policy Board appointed (Monica Montgomery Steppe, Council President Pro Tem, City of San Diego, District 4 (Chair), Terra Lawson-Remer, San Diego County Supervisor, District 3 (Vice Chair), and Nancy Sasaki, CEO, United Way of San Diego County as their representatives for the Joint Personnel Committee (JPC).

Motion: Board approves the nominations to serve as JPC members.

Moved (S. Elo-Rivera), Seconded (N. Sasaki), Carried unanimously

Item 4

FY22 Audit Report

Dennis Kingery, VP of Finance, presented the FY22 Audit Report before the Policy Board. Dennis recommended to approve the Audit Report on the basis The San Diego Workforce Partnership received an unqualified (clean) opinion on its financial statements. The compliance review for Federal funds identified two deficiencies and a material weakness which were the same as identified in the prior audit. Those items were addressed immediately upon discovery following the prior year's audit which was completed after the end of fiscal year 2022 in September 2022. The Board Members discussed the audit report. N. Sasaki asked to hold on approving for further review from the Board Members. S. Elo-Rivera requested to highlight the Policy Board responsibilities to tighten policies and put rules on books which is helpful for Board Members to focus on.

Motion: Board move the motion be postponed to the next Policy Board meeting.

Moved (S. Elo-Rivera), Seconded (N. Sasaki), Carried unanimously

Item 5

Bank Authorization and Check Signatory

Motion: Board approves the recommendation of Dennis Kingery VP of Finance and Carlynne Yu Controller as signatory.

Moved (S. Elo-Rivera), Seconded (N. Sasaki), Carried unanimously

Informational Items

Item 6

Program Update

Shaina Gross presented and followed up on items from last meeting to provide a little more clarification on participants demographics, training resources, performance outcomes, and Board communications. Shaina also introduced new population-specific funding.

Parina Parikh presented new healthcare and public administration funding.

Item 7

Finance Update

Dennis provided a high-level summary of the annual budget and FY21 audit results. He provided a YTD budget overview including actuals and variance.

Adjournment:

The meeting was adjourned at 10:29 am for closed session.

Item 8

(item number 8 omitted from April minutes)

Item 9

Closed Session

Item 10

Closed Session

Item 11

Closed Session

Next Meeting:

Friday, May 26, 2023 at 1:00pm

Item 3: Internal Controls & Bank Signatories

ACTION ITEM – VOTE REQUIRED:

Background:

Due to staff changes, the San Diego Workforce Partnership needs to update the named individuals authorized to conduct its banking business with US Bank. This authorization includes the ability to enter into deposit account, funds transfer, or treasury management service agreements with the bank, and to authorize individuals to withdraw funds, initiate payment orders, execute service agreements, and otherwise give instructions on behalf of a company with respect to its deposit accounts and treasury management services.

To summarize the internal controls that have been presented today, the Partnership has:

- Policies & procedures
- Layers of review and approval (Signature Authority Matrix)
- Segregation of duties
- Monthly account reconciliation
- Monthly review of budget vs actuals

Recommendation:

Given our extensive set of internal controls to safeguard assets along with the bank's requirement to have two company representatives acting on behalf of the organization to ensure business continuity, we recommend:

That the Policy Board authorize Khaleda Atta (Chief Programs Officer) and Carlynn Yu (Controller) to serve as SDWP's Authorized Signers and fiduciary agents for all three SDWP US Bancorp accounts.

Item 4: FY22 Audit Report

ACTION ITEM – VOTE REQUIRED:

Background:

San Diego Workforce Partnership engaged Rogers, Anderson, Malody & Scott LLP (RAMS) to perform its financial statement and single audit for fiscal year ending June 30, 2022. The Workforce received an unmodified (clean) opinion on its financial statements. The compliance review for Federal funds identified two deficiencies and a material weakness which were the same as identified in the prior audit. Those items were addressed immediately upon discovery following the prior year's audit which was completed after the end of fiscal year 2022 in September 2022. The Workforce Development Board and its Audit Committee have received and approved the audit.

Recommendation:

Policy Board to approve the FY2022 Basic Financial Statements and Audit Report from Rogers, Anderson, Malody & Scott, LLP (RAMS).

Item 5: Programs Contract Renewals: WIOA Youth Contract Renewal Recommendations

ACTION ITEM – VOTE REQUIRED

Recommendation

That the WDB and PB authorize Workforce Partnership staff to renew all current WIOA Youth contracts.

The specific contracts are as follows:

Contractor	Amount	# Served	Cost Per Person
ACCESS – Career Centers	\$1.5M	300	\$5,000
ACCESS – Foster Youth	\$600k	86	\$7,000
ACCESS – San Pasqual Academy	\$400k	57	\$7,000
SBCS – Justice-Involved Youth	\$600k	86	\$7,000
SD Continuing Education – ELL/Immigrant/Refugee	\$600k	86	\$7,000
SDYS – Unhoused Youth	\$600k	86	\$7,000
YMCA – Black Opportunity Youth	\$600k	86	\$7,000
Contract Outcomes (set by EDD on 9/15/22)			
<ul style="list-style-type: none">• 67.7% enrolled in education or training, or employed (placed) at six and 12 months• \$4,800 quarterly median earnings• 67% of in-school youth and 61% of out-of-school youth attain a credential• 50% will show a gain in skills through training or education			

Contract Term: July 1, 2023 – June 30, 2024

New contract or renewal: Renewal

Option Years: Access (SPA): This is an ongoing, sole sourced contract that is reviewed annually for renewal.

All others are in the third option year of a four-year contract that is renewed annually based on performance and available funding.

Contract Payment Terms: Cost Reimbursement

Contractor Selection: Access (SPA): A Memorandum of Understanding (MOU) was developed formalizing the partnerships among the County of San Diego Child Welfare Services, the San Diego County Office of Education, Access, Inc. and the Workforce Partnership in 2001. Based on the unique structure of SPA, this arrangement has been approved as a Sole Source by the State of CA.

All other contracts were competitively procured and approved by the Board in 2021.

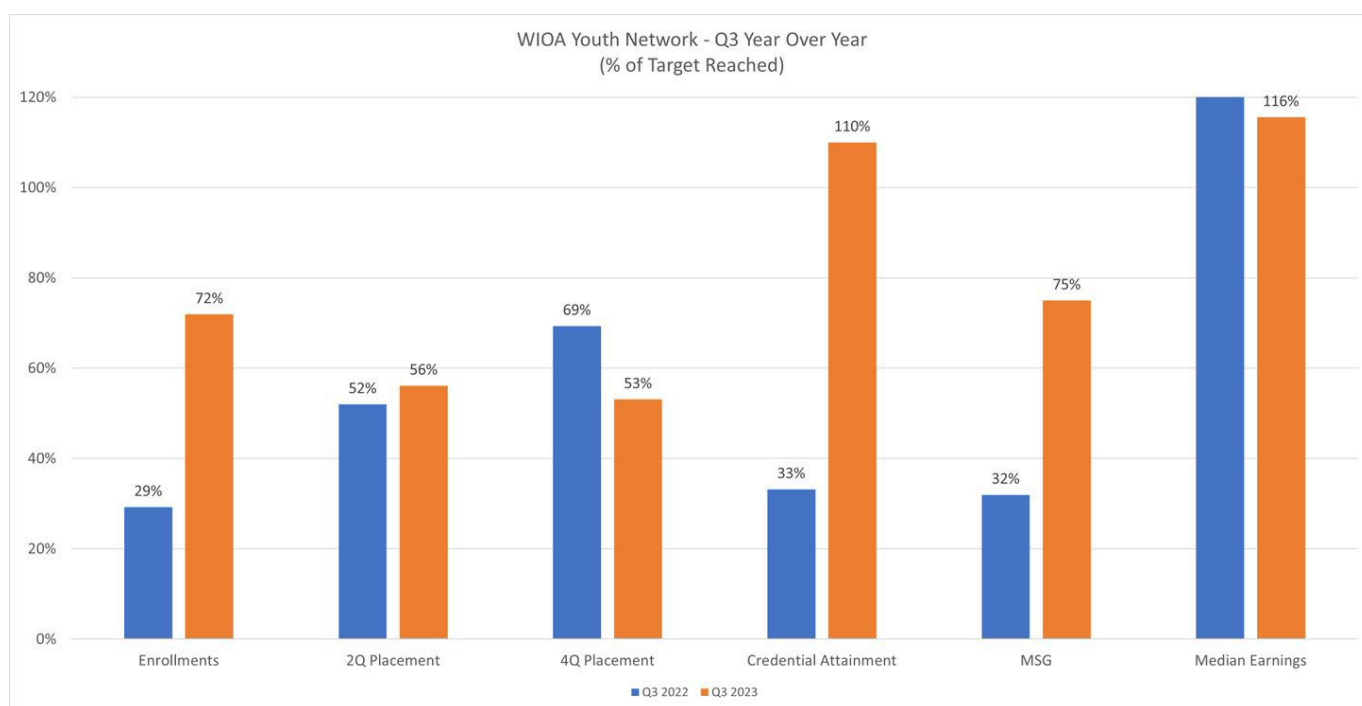
Scope of Work: WIOA Youth Workforce Development services, including, but not limited to program enrollment, assessment, work-readiness training, job/internship placement, enrollment in education and training, career coaching and exploration, supportive services, mentorship, and financial literacy.

Background

Each of these providers was selected during a competitive Request for Proposal (RFP) process that was conducted in the fall/winter of 2020, for services beginning July 1, 2021. One provider was selected to provide countywide career center services, accessible through all of our current Career Centers, as well as additional satellite locations.

Additional providers were selected to provide population-specific programming to populations that had been identified through research and community input, to have additional barriers to employment, education, and training. Each of these providers has a specific population they serve.

WIOA Youth System Past Performance



Management Analysis:

The first two years of the contracts were significantly impacted by Covid. Enrollments were down for youth programming across the nation, as many of the entry level jobs youth would typically fill were closed and/or as businesses opened back up, the need to hire was so emergent that youth could find employment directly and didn't need WIOA services. In addition, customary educational access points shifted. Many trainings were on pause, and in-person classes were cancelled. Finally, many of our providers struggled with staff turnover in a post-pandemic environment, causing disruption in relationships and continuity.

Because of the way WIOA performance metrics are structured, individuals who enrolled in 2021 are still showing up in performance metrics now. This is because youth often receive up to 12 months of programming and then an additional 12 months of follow-up services. Several of the performance metrics can't be calculated until the youth is in follow-up services. So, the effects of Covid are still present in the Year 1 and Year 2 metrics of these contracts.

In FY 22-23, we are seeing significant improvements from the first year of the contract.

- Enrollments – significant increase from 29% of goal to 72% of goal
- 2nd and 4th quarter placements – delayed metric; anticipate continued improvement, but project final metrics will still be slightly below goal
- Credential Attainment – significant increase from 33% to 110%; now exceeding goal
- Measurable Skills Gain – improved from 32% to 75% of goal; anticipate continued improvement as this metric is cumulative and shows in 4th quarter
- Median Earnings – continue to outperform metric

To address the performance challenges, Workforce Partnership staff have:

- Provided extensive training and support to all partners
- Increased the cost per person and decreased the expected number served, giving our partners additional resources to serve the enrolled youth
- Reduced the required staffing positions so that partners have more flexibility in their budgets to include additional line items to support their success
- Placed partners on formal “corrective action” and informal “watch” for contract underperformance. This process includes identifying metrics of underperformance, as well as collaboratively creating a plan for improvement. In most instances, we have seen improvement in the deficient metrics.

In Year 3, we expect that we will have moved beyond the impacts of Covid. We have seen steady improvements in performance, particularly over the last year. Each year, the metrics start fresh and accumulate over the four quarters. Workforce Partnership staff believe we will continue to see increased outcomes, carrying our overall network metrics above the required State levels.

With the recommendation to renew all contracts at their full amount, comes the expectation that providers meet or exceed the performance metrics established by the State beginning with the new contract year. If a subrecipient is found to not meet performance metrics, the Workforce Partnership maintains the right to reduce or revoke their contract.

Item 6: Organizational Update

INFORMATION ITEM – NO VOTE REQUIRED:

Khaleda Atta, Chief Programs Officer, will give organizational updates on the following:

- VP of Finance
- Interim org structure

Item 7: Update on City of San Diego Funding

INFORMATION ITEM – NO VOTE REQUIRED:

Parina Parikh, VP of Sector Initiatives, to discuss impact of City of San Diego funding over the years and discuss the ramifications of the City not renewing funding in FY24.

The City of San Diego has funded the San Diego Workforce Partnership since Fiscal Year 2012. From 2012 – 2017 there were a variety of ad-hoc programs funded by the City to conduct workforce development. The Workforce Partnership signed a 5-year MOU with the City from FY18 – FY22. In those years, the Workforce Partnership ran the TechHire, City Mentorship and Opportunity Youth Internship programs. In FY23, the City was not able to utilize CDBG to continue funding the Workforce Partnership so instead accessed General Funds to fund TechHire and Back2Work Connect to Careers. The Workforce Partnership submitted a proposal to the City's Economic Development Department to continue TechHire and Back2Work Connect to Careers but funding was not renewed through the City's General Funds for FY24.

Parina will share outcomes of the programs funded through the City, in particular, the TechHire program.

We would request Council President Pro Tem Monica Montgomery Steppe and Council President Sean Elo-Rivera consider including TechHire in its budget memos for continued funding. The following paragraph is provided for consideration:

Relevant work experience is the greatest barrier that most individuals who seek to start a career face today. This disproportionately impacts people of color and women who find themselves underrepresented in the workforce. Since 2017 TechHire has helped to remove this barrier by funding 568 internships at 278 local employers for City of San Diego residents. 574 City residents have secured a permanent placement with a variety of local San Diego employers who rely on experienced technology workers. More than 60% of 'entry level' jobs require some form of work experience, meaning that many who complete training and receive certifications are still unable to secure jobs that they have the requisite skills for. Providing access to paid work experience helps San Diego's underrepresented communities access job opportunities they have been marginalized from due to the barrier of work experience.

Since 2017, 73% of interns supported through the program identified as racial/ethnic minorities and 45% identified as women.