



BUSINESS SERVICES COMMITTEE

Tuesday, August 10, 2021, 3:00 pm

www.work2future.org

COVID-19 NOTICE

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79450 from the City of San José, and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the meeting will not be physically open to the public. Committee members will participate from remote locations.

Members of the public can observe the meeting by computer, smartphone and smart tablet at <https://zoom.us/j/98118983017?pwd=QmZHbkRMMFNZZG1MUVJpVElheji0QT09>

To submit written Public Comment *before* the committee meeting: Send by e-mail to Lawrence.Thoo@sanjoseca.gov by 9:30 am the day of the meeting. The e-mails will be posted with the Agenda as "Letters from the Public". Please identify the Agenda Item Number in the subject line of your email.

To submit written Public Comment *during* the meeting: Send e-mail during the meeting to Kathryn.Azevedo@sanjoseca.gov, identifying the Agenda Item Number in the e-mail subject line, to have the comments verbally read into the record, with a maximum of 250 words, which corresponds to approximately 2 minutes per individual comment, subject to the Chair's discretion. Comments received after the agenda item is heard but before the close of the meeting will be included as a part of the meeting record but will not be read into the record.

To provide Spoken Public Comment *during* the meeting:

a) **Phone** (669) 900-9128, Meeting ID 981 1898 3017. **Press *9** to Raise a Hand to let the Chair know that you'd like to speak. **Press *6** to Mute and Unmute yourself.

b) **Online** using the [Zoom link](#) above: 1) Use an up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause audio feedback. 2) Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak. 3) When the Chair calls for the Agenda Item to which you wish to speak, click on the "Raise Hand" icon or command. Speakers will be notified shortly before they are called on to speak.

Please limit remarks to the time limit allotted by the meeting chair, usually two minutes.

BUSINESS SERVICES COMMITTEE

MEMBERS | 2021

George Chao, *Chair*

Manager, Advanced & Clean Tech Manufacturing
Manex

Rajiv Batra

Associate General Counsel
Fundbox

Blanca Gomez

Social Impact and Innovation
Wells Fargo

Susan Koepp-Baker

Principal
Enviro-Tech Services

Emily McGrath

Director of Workforce Development, Education and Training
NextFlex

Priya Smith, MPH

Medical Group Administrator, The Permanente Medical Group
Kaiser Permanente, San Jose

Alan Takahashi

Senior Vice President and General Manager, Multifunction Microwave Solutions
Cobham Advanced Electronic Solutions (CAES)

ex officio

Joe Flynn, *Board Chair*

Business Development Consultant

BUSINESS SERVICES COMMITTEE

August 10, 2021

3:00 pm

MEETING AGENDA

- | | | |
|-------------|---|--------------------|
| I. | CALL TO ORDER & ROLL CALL | <i>5 min</i> |
| | | <i>3:05 pm end</i> |
| II. | OPEN FORUM | <i>5 min</i> |
| | Members of the public are able to address the committee on matters not on the agenda | <i>3:10 pm end</i> |
| III. | BUSINESS | |
| | A. Minutes Approval {Action} | <i>5 min</i> |
| | Approve minutes of the July 13, 2021, Business Services Committee meeting | <i>3:15 pm end</i> |
| | B. Employer Engagement | <i>10 min</i> |
| | <i>Staff reports and discussion, including without limitation</i> | <i>3:25 pm end</i> |
| | 1. July Job Fair | |
| | 2. Facebook Digital Marketing Internships | |
| | 3. Resilience Corps | |
| | C. Services | <i>25 min</i> |
| | <i>Staff reports and discussion, including without limitation</i> | <i>3:50 pm end</i> |
| | 1. Incumbent Worker Training | |
| | Review Employment Development Department Workforce Services Directive on Incumbent Worker Training and discuss recommendations for local policy | |
| | 2. Employer Demand-Driven Cohort Training Pilot | |
| | Discuss the new model of demand-driven Cohort Training that integrates paid work-based learning that will be piloted with the support of the Workforce Accelerator Fund 9.0 grant | |
| | D. Business Intelligence | <i>15 min</i> |
| | <i>Staff reports and discussion, including without limitation</i> | <i>4:05 pm end</i> |
| | 1. June Labor Market Summary | |
| | 2. Layoff Activity Report | |
| | E. Workplan {Discussion} | <i>5 min</i> |
| | <i>Staff report and discussion</i> | <i>4:10 pm end</i> |
| | Workplan items for future discussion and possible action | |
| | F. Other Staff Reports {Discussion} | <i>5 min</i> |
| | Various matters of interest not on the agenda | <i>4:15 pm end</i> |
| IV. | OTHER | |
| | Announcements, suggested business for future meetings, other housekeeping | |

V. ADJOURNMENT

Please note: *Times to the right of agenda items are estimates only of the duration of the item and its approximate ending time. Actual times may vary, and items may be taken out of order at the discretion of the chair.*

CITY OF SAN JOSE CODE OF CONDUCT FOR PUBLIC MEETINGS

The Code of Conduct is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, its Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

Novel Coronavirus (COVID-19) Precautions

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79450 from the City of San José and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the meeting will not be physically open to the public. Instead, the meeting will be conducted via video teleconference open to the public. The Code of Conduct will apply to the extent possible in a video teleconference setting.

1. Public Meeting Decorum:
 - a. Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
 - b. Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
 - c. Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
 - d. Appropriate attire, including shoes and shirts are always required in the meeting room.
 - e. Persons in the audience will not place their feet on the seats in front of them.
 - f. No food, drink (other than bottled water with a cap) or chewing gum will be allowed in the meeting room, except as otherwise pre-approved by City staff.
 - g. All persons entering the meeting room, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.
2. Signs, Objects or Symbolic Material:
 - a. Objects and symbolic materials, such as signs or banners, will be allowed in the meeting room, with the following restrictions:
 - i. No objects will be larger than 2 feet by 3 feet.
 - ii. No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
 - iii. The items cannot create a building maintenance problem or a fire or safety hazard.
 - b. Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
 - c. Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the meeting room if a threat exists or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools;

letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

3. Addressing the Board or Committee:

- a. Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the administrative staff at the meeting.
- b. Meeting attendees are usually given two (2) minutes to speak on any agenda item and/or during open forum; the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate. Applicants and appellants in land use matters are usually given more time to speak.
- c. Speakers should discuss topics related to work2future business on the agenda, unless they are speaking during open forum.
- d. Speakers' comments should be addressed to the full body. Requests to engage Board or Committee Members or Staff in conversation will not be honored. Abusive language is inappropriate.
- e. Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
- f. If an individual wishes to submit written information, he or she may give it to the administrative staff at the meeting.
- g. Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.

Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at work2future's Business and Administrative Services Center at the Almaden Winery Community Center, 5730 Chambertin Drive, San Jose, California at the same time that the public records are distributed or made available to the legislative body.

I.

Call to Order & Roll Call

II.

Open Forum

III.A

Minutes Approval

[Action]

BUSINESS SERVICES COMMITTEE

July 13, 2021

3:02 pm

MINUTES

Staff: Azevedo, Thoo, Tran, Woodworth

I. CALL TO ORDER & ROLL CALL

Chair Chao called the Zoom meeting to order at 3:02 pm

Roll Call

Present: Chao, Koepp-Baker, McGrath, Smith (left at 3:44 pm), Takahashi (left at 4:00 pm)

Absent: Batra, Flynn, Gomez,

II. OPEN FORUM

None

III. BUSINESS

A. Minutes Approval

ACTION: Ms. Koepp-Baker moved, Ms. Smith seconded, and the committee members present unanimously approved the minutes of the June 8, 2021 Business Services Committee meeting.

B. Employer Engagement

1. Facebook Digital Marketing Internships — Economic Development Officer Dhez Woodworth reported that 32 young adults have been placed in digital internships with COVID-impacted small businesses. He said that work2future would be extending the original 12-week internships to 26 weeks.

2. Resilience Corps — Mr. Woodworth explained that Resilience Corps is a COVID-response employment assistance project proposed by San Jose Mayor Sam Liccardo and approved by the City Council, with five pathways: vaccine distribution, food distribution, learning loss, environmental resilience and supporting business recovery. Work2future is leading the business recovery pathway, working in partnership with Goodwill Industries and the Foundation for California Community Colleges to provide four weeks of paid training and a 22-week paid internship. Its objective is to match 20 young-adult interns from “Low Resource Census Tracts” with 20 small businesses and non-profit organizations. The census tracts are identified annually for the California Fair Housing Task Force. Like the Facebook Internships the interns would be trained in the basics of digital media/marketing before being placed with host employers. Committee discussion followed. Mr. Thoo announced that Mr. Woodworth would be retiring from City employment shortly and thanked him for all his work on both the Facebook and Resilience Corps projects.

C. Services

1. Trades Orientation Program — Mr. Thoo announced that the next TOP cohort is scheduled to begin on August 16. He also reminded committee members that TOP not only

provides training put also apprentice-placement and other employment support for graduates for up to one year.

2. Job Fairs – Mr. Thoo announced an upcoming in-person LGBTQ+ inclusive job fair on July 31, 2021, at the Billy DeFrank Community Center.

D. Business Intelligence

Staff reported on various matters of interest to the committee, including:

1. **May LMI Summary** — Strategic Engagement Manager Thoo reviewed an updated version of the May Labor Market Information Summary included in the agenda packet. The May unemployment rate in our MSA was 4.7% which reveals a gradual improvement in our labor market. The hospitality sector added 5,500 jobs in May which is still 30,000 below pre-pandemic levels. Discussion among committee members ensued.

2. **Recent Layoff Activity** – Analyst Huong Tran informed the committee that there have been no WARN notices in June and so far in July 2021. Ms. Tran also mentioned that there was one company expecting to lay off about 200 employees in August. Mr. Thoo informed the committee that there is one manufacturing company in Campbell that will be relocating out of the area and laying off about 30 employees.

3. **An employer's perspective: PG&E** — Mr. Thoo introduced Ms. Alexandria Baker who is the South Bay Manager, PowerPathway, for Pacific Gas & Electric (PG&E). Ms. Baker explained that 62% of the PG&E workforce are unionized field employees. The PowerPathway training program was developed to help overcome barriers to entry for underrepresented groups in PG&E communities, such as women and veterans, and to deal with an expected wave of retirements. The program has been successful in placing 93% of its graduates in PG&E the last three and a half years. Discussion ensued among committee members.

E. Workplan

Mr. Thoo announced the following items for future committee meetings:

1. Incumbent worker training will be discussed at the August 10, 2021 committee meeting
2. Workforce Accelerator Fund 9.0 Grant (Earn+Learn opportunity)
3. Business intelligence (September meeting)
4. Business engagement - Strategy and operations (September meeting)

F. Other Staff Reports

1. Kirk staff have moved back to the center and anticipate offering services in August.
2. New Las Plumas Job Center location move from Kirk has been approved by the Board.
3. Anticipate EDD Zanker location opening by the end of July. No word yet on Gilroy reopening.

IV. Other - None

V. ADJOURNMENT

Chair Chao adjourned the meeting at 4:12 pm.

Draft minutes prepared by K. Azevedo, reviewed by L. Thoo

All votes were by roll call, unless otherwise indicated

III.B

Employer Engagement

[Discussion]

EMPLOYER ENGAGEMENT

Staff will report briefly on matters related to the committee work plan, including without limitation:

1. July 31 Job Fair, Billy DeFrank LGBT Community Center
2. Facebook Digital Marketing Internships
3. Resilience Corps Economic Recovery Support

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III.C

Services

[Discussion]

SERVICES

Staff will report on and discuss matters related to the committee work plan, including, without limitation, the following:

1. **Incumbent Worker Training**

Review Employment Development Department Workforce Services Directive (WSD) on Incumbent Worker Training and discuss recommendations for local policy

2. **Employer Demand-Driven Cohort Training Pilot**

Discuss the new model of demand-driven Cohort Training that integrates paid work-based learning that will be piloted with the support of the Workforce Accelerator Fund 9.0 grant

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Attachment: EDD WSD19-01 Incumbent Worker Training

INCUMBENT WORKER TRAINING

EXECUTIVE SUMMARY

This policy provides guidance and establishes the procedures regarding Incumbent Worker Training (IWT) as part of comprehensive regional sector pathway programs and strategies for developing a skilled workforce and income mobility. This policy applies to all Local Boards and relevant parties, and is effective immediately.

This policy contains no state-imposed requirements.

This directive finalizes Workforce Services Draft Directive Business Engagement – Incumbent Worker Training WSD18-187, issued for comment on July 24, 2018. The Workforce Development Community submitted 34 comments during the draft comment period. A summary of comments, including all changes, is provided as Attachment 1.

Retain this Directive until further notice.

REFERENCES

- *Workforce Innovation and Opportunity Act (WIOA)* (Public Law) Sections, 122(h)(i), 134(d)(4), 134(G)(ii), 134(c)(3)(H), and 194(4)
- Title 20 Code of Federal Regulations (CFR) Sections 680.780 – 680.820
- Training and Employment Guidance Letter (TEGL) [10-16](#), Change 1, Subject: *Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III and Title IV Core Programs* (August 23, 2017)
- TEGL [19-16](#): *Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Services (ES) as amended by title III of WIOA, and for Implementation of the WIOA Final Rules* (March 1, 2017)
- *California Unemployment Insurance Code* (CUIC) Section 14000-14530
- Workforce Services Directive [WSD18-10 \(PDF\)](#), *WIOA Training Expenditure Requirement*, (January 31, 2019)
- [WSD18-03 \(PDF\)](#), Subject: *Pathway to Services, Referral, and Enrollment* (August 29, 2018)
- [WSD17-08 \(PDF\)](#), Subject: *Procurement of Equipment and Related Services* (March 14, 2018)
- [WSD16-18 \(PDF\)](#), Subject: *Selective Service Registration* (April 10, 2017)
- [WSD16-16 \(PDF\)](#), Subject: *Allowable Costs and Prior Written Approval* (February 21, 2017)

- [WSD16-15 \(PDF\)](#), Subject: *Dislocated Worker Additional Assistance Projects* (December 28, 2016)
- [WSD16-13 \(PDF\)](#), Subject: *Monthly and Quarterly Financial Reporting Requirements* (November 28, 2016)
- [WSD16-04 \(PDF\)](#), Subject: *Rapid Response and Layoff Aversion Activities* (July 22, 2016)
- [WSD15-23 \(PDF\)](#), Subject: *Transfer of Funds – WIOA Adult/Dislocated Worker Programs* (March 29, 2016)
- Workforce Services Information Notice [WSIN12-31 \(PDF\)](#), Subject: *Assisting Employers in the New CalJOBSSM* (February 15, 2013)

BACKGROUND

Under WIOA, IWT provides both workers and employers with the opportunity to build and maintain a quality workforce, and increase both participants' and employers' competitiveness. IWT is a type of work-based training and upskilling designed to ensure California workers can acquire and develop the skills necessary to avert layoff or increase the skill levels of employees so they can be promoted within the company and create backfill opportunities for employers.

POLICY AND PROCEDURES

Definitions

For the purposes of this Directive, the following definitions apply:

Business and Employer – A private sector, local government, for profit or not-for profit place of business. Business and Employer are used interchangeably in this directive.

California Employer Account Number – An eight-digit payroll tax number issued to a registered employer by the Employment Development Department, also known as the Employer Payroll Tax Account Number, State Employer Identification Number, or state ID.

Eligible Employer – For an employer to be eligible for IWT services, the Local Board must consider the following:

- Whether the employer can provide a valid California Employer Account Number.
- The characteristics of the individuals in the program (see the IWT definition below).
- The relationship of the training to the competitiveness of an individual and the employer.

- Other factors the Local Board determines appropriate, such as the number of employees trained, wages and benefits including post training increases, and the existence of other training opportunities provided by the employer.

[Reference: WIOA Section 134(d)(4)(A)(ii)]

Employer Share – Employers are required to pay for a significant cost of the training for those individuals in IWT. The minimum amount of employer share in IWT depends on the size of the employer.

Follow-up – Shall be performed six months after reported completion of IWT to determine outcomes (retained employment, advancement, and increased wages).

Incumbent Worker – To qualify as an Incumbent Worker, the employee must meet the following:

- Be a current employee of an eligible employer and have an established employment history with the employer for six months or more. An individual is not held to the six month employment requirement if the IWT is being provided to a cohort of employees. In this instance, not every employee must meet the employment history requirement as long as a majority of the employees being trained do meet the requirement.
- Meet the Fair Labor Standards Act requirements for an employer-employee relationship.
- Meet the Selective Service requirements.

[Reference: Title 20 CFR Section 680.780]

IWT – The following characteristics define IWT:

- Designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce, avert the need to lay-off employees by assisting the workers in obtaining the skills necessary to retain employment, and/or provide training that will result in progression on a career pathway and income mobility.
 - Conducted with a commitment by the employer to retain employees, avert the layoff(s) of the incumbent worker(s) trained for a period of six months following completion of the training, or promote incumbent workers to higher paying positions.
 - Increases the competitiveness of the employer or employee.
 - Gives employees the opportunity to progress on their career pathway by providing opportunities to obtain certificates or credentials based on the employers need.
- (Reference 20 CFR 680.790)

IWT Allowable Costs – The Local Boards’ share of the cost of training (teacher, books, materials) for the delivery of IWT. This amount excludes the cost of individual wages paid by the employer while the employee is attending/participating in the training. [Reference: WIOA Section 134(d)(4)(C)-(D)]

Qualified Trainer – Qualified training can be provided in-house, by a training agency, or by a third party. Training providers should be California-based, unless the training is so unique that a training provider cannot be found in California. The choice and method of training are determined by the employer. [Reference: WIOA Section 134(d)(4)(C)-(D)]

Training Method – The following are types of training methods allowable for IWT:

- Classroom training is instruction in a classroom setting that is provided to a group of trainees and conducted by a qualified instructor.
- Laboratory training is hands-on instruction or skill acquisition under the constant and direct guidance of a qualified trainer. Laboratory training may require the use of specialized equipment or facilities. Laboratory training may be conducted in a simulated work setting, or at a productive work setting, also known as Productive Laboratory.
- Computer-based training is delivered through a computer program at a pace set by the trainee. There is no requirement for delivery by a live trainer and training does not have to be interactive.
- Video Conference training is live, interactive instruction provided by a trainer through a video communications session.
- E-Learning instruction is delivered through a web-based system, conducted in a virtual environment utilizing a web meeting/webinar.

[Reference: WIOA Section 134(d)(4)(C)-(D)]

Eligibility for IWT

WIOA requires Local Boards to determine an employer’s eligibility for participating in IWT in order to evaluate whether training would increase the competitiveness of the employees and/or employers. Eligibility for participation in IWT is based on the following factors:

- The characteristics of the individuals in the program (e.g. individuals with barriers to employment).
- The relationship of the training to the competitiveness of the individual and employer.
- Other factors Local Boards determine appropriate, which may include, but are not limited to, the following:
 - The number of employees participating in the training.

- The employees' advancement opportunities, along with wages and benefits (both pre-and post-training earnings).
- The existence of other training and advancement opportunities provided by the employer.
- Credentials and skills gained as a result of the training.
- Layoffs averted as a result of the training.
- Utilization as part of a larger sector and/or career pathway strategy.
- Employer size.

[Reference: WIOA Section 134(d)(4)(A)(ii) and TEGL 19-16]

Additional factors identified by the Local Board must be included in the Local Board's policy and procedures to ensure consistent application for all employers.

For an employer to receive IWT funds, the individual(s) participating in the IWT must meet the following:

- Be employed.
- Meet the Fair Labor Standards Act requirements for an employer-employee relationship.
- Have an established employment history with the employer for six months or more. This may include time spent as a temporary or contract worker performing work for the employer. It should be noted that an individual is not held to the six month employment requirement if the IWT is being provided to a cohort of employees. In this instance, not every employee must meet the employment history requirement as long as a majority of the employees being trained do meet the requirement.

[Reference: Title 20 CFR Section 680.780]

An eligible individual participating in IWT is not required to meet the eligibility requirements for the Adult or Dislocated Worker program, unless they are also co-enrolled as a participant in the WIOA Adult or Dislocated Worker program and will receive WIOA funded services in addition to the IWT.

Funding

IWT is part of a comprehensive business engagement strategy designed to meet the special requirements of an employer (including a group of employers) to upskill current employees. To implement this strategy, Local Boards can use up to 20 percent of their Adult and Dislocated Worker formula allocations for IWT activities. This 20 percent can only be used for programmatic activities, and cannot be used for administrative functions.

Generally, IWT should be provided to private sector employers, but there may be instances where non-profit and local government entities may receive IWT funds. For example, IWT funds may be used in the health care industry where nursing upskilling opportunities are available in a hospital operated by a non-profit organization.

Under WIOA, layoff aversion is now a required Rapid Response activity (Title 20 CFR Section 682.330). Local Boards can leverage Rapid Response funds by including IWT as part of a robust layoff aversion strategy for the Local Workforce Development Area (Local Area). Local Boards have flexibility to determine which strategies and activities are applicable in a given situation, based upon the specific needs, policies, and procedures within the state and Local Areas.

The WIOA defines IWT as a business service, therefore, the delivery of IWT does not require the use of an Individual Training Account or that the training program be listed on the Eligible Training Provider List.

Employer Share

Local Boards are required to establish policies regarding the non-federal share of the cost of IWT. Employers are required to pay for a significant cost of the training for those individuals in IWT. This can be done through cash payments and fairly evaluated in-kind contributions. The wages paid to individuals while in training may include the wages the employer pays to the individual while they are attending the training.

The Local Board must consider the number of employees participating in the training, the wage and benefit levels of the employees (at the beginning and anticipated upon completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities. The minimum amount of employer share in IWT depends on the size of the employer and are as follows:

- At least 10 percent of the cost for employers with 50 or fewer employees.
- At least 25 percent of the cost for employers with 51 to 100 employees.
- At least 50 percent of the cost for employers with more than 100 employees.

[Reference: WIOA Section 134(d)(4)(C)-(D)]

The Local Board's policy must be applied to each employer to ensure consistent determination of the employer's eligibility to receive funding for IWT, and the Local Board's rationale/reasoning to support the IWT initiative.

Tracking IWT Expenditures

The EDD Workforce Services Branch's Financial Management Unit (FMU) is tasked with keeping track of IWT expenditures to ensure Local Boards do not exceed the 20% allowance for IWT. FMU has updated the expenditure reports the sub-recipients use to include a line item for IWT. Each quarter, FMU compiles a report for the Local Boards that details where they stand in regards to these expenditure levels. An example of the updated expenditure reports can be found as attachments to [WSD16-13 \(PDF\)](#).

Note – IWT expenditures can be counted toward the training expenditure requirement in [WSD18-10 \(PDF\)](#). The employer contributions for IWT can be counted as leveraged dollars.

Documentation

The Local Board's IWT policy and the documentation for each IWT initiative must be retained by the Local Board. It is the Local Board's responsibility, in partnership with the employer, to ensure all training is completed and certificates of completion are obtained for each trainee and retained locally. This documentation will be subject to monitoring.

IWT Performance and Reporting Requirements

Since eligibility for IWT is determined at the employer level (not the individual level), the Department of Labor (DOL) does not consider individuals in IWT to be a participant in the Adult and/or Dislocated Worker program. Individuals who only receive IWT are not included in the WIOA Adult or Dislocated Worker program performance calculations. However, the DOL requires Local Boards and the State to report certain participant and performance data on all individuals participating in IWT. The required information for these individuals is limited to demographic information, and information necessary to calculate employment in the 2nd and 4th quarters after exit, median earnings in the 2nd quarter after exit, measurable skill gains, and credential attainment. For the purpose of calculating these metrics for IWT-only individuals, the exit date is the last date of training, as indicated in the training contract.

To reduce the reporting burden on employers and the Local Boards, the DOL encourages the collection of Social Security Numbers (SSNs) as part of the training contract with the employer. For all individuals where an SSN is collected, the EDD will conduct a base wage match to obtain their employment and earnings. For those individuals that have a pseudo SSN, it is the Local Board's responsibility to provide supplemental data. Additionally, it is the Local Board's responsibility to capture and enter credential information into CalJOBSSM for each IWT individual.

Note – If the individual in IWT becomes a participant in the Adult or Dislocated Worker program at any point, they are included in performance calculations for the core program that provides additional services.

CalJOBSSM

All recipients of IWT must be reported to DOL, regardless of whether they become a participant in one of the other WIOA programs. Individuals who participate in IWT must be registered in CalJOBSSM, and do the following:

- Title I – Workforce Development application with an Incumbent Worker eligibility date entered. The application and eligibility requirements for the IWT eligibility is truncated and requires minimal information.
- On the Eligibility Summary tab of the Title I application:
 - Set “Incumbent Worker Eligibility” to yes.
 - Add the appropriate IWT grant code, then select [Finish] to save the application.
- CalJOBSSM Activity Code 308 – IWT should be added to the application and associated to the appropriate funding stream for the duration of the IWT. If utilizing WIOA formula funds, staff must associate grant code 2284 – Incumbent Worker Training Formula to the 308 – IWT activity code.

Employers

Local Area staff must ensure that the employer participating in IWT is registered as a preferred employer (recruiting employer) in CalJOBSSM, and the CalJOBSSM Activity Code E68 – IWT is added to the employer’s account. For more information about registering an employer into CalJOBSSM, please see [WSIN12-31 \(PDF\)](#).

INQUIRIES

If you have any questions, contact Carlos Bravo at (916) 327-5383.

/s/JAIME L. GUTIERREZ, Chief
Central Office Workforce Services Division

Attachment is available on the internet:

1. [Summary of Comments \(PDF\)](#)
2. [Errata Chronology \(PDF\)](#)

III.D

Business Intelligence

[Discussion]

BUSINESS INTELLIGENCE

Staff will report briefly on matters related to the committee work plan, including, without limitation, the following:

1. June Labor Market Summary
2. Layoff and Rapid Response Activity Report

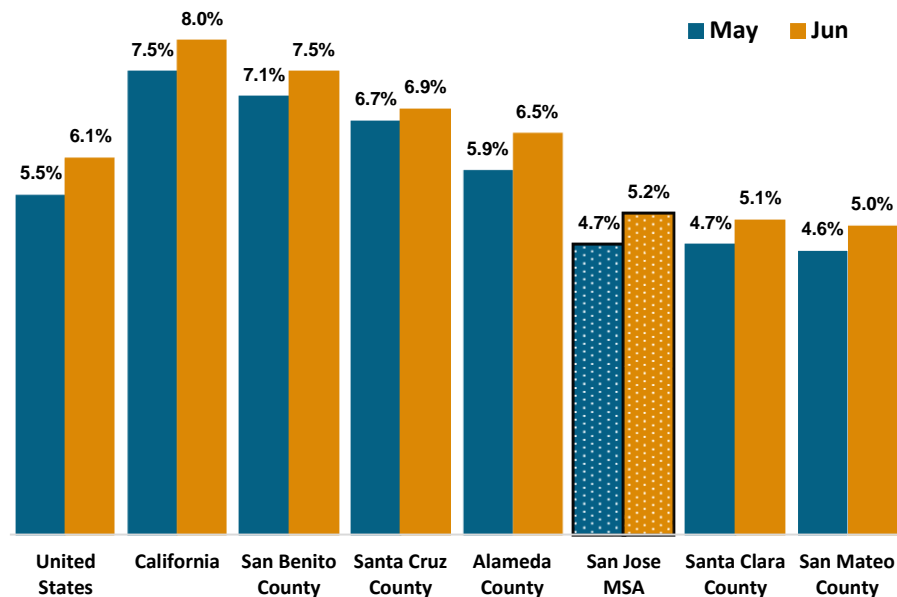
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Attachment: San Jose Sunnyvale Santa Clara MSA Economic Summary 2021-2

June Industry Sectors Ranked by Employment Size¹



Unemployment Rate (%)²



Online Job Advertisements – June 2021 Help Wanted OnLine³

Top 10 Employers

Allied Universal – 1,758
Apple – 1,612
Google – 1,324
Deloitte – 1,013
Microsoft – 888
Stanford University – 886
Cisco Systems – 855
Anthem Blue Cross – 809
Palo Alto Networks – 732
VMware – 665

Top 10 Occupations

Software Developers, Applications – 5,871
Computer Occupations, All Other – 4,350
Marketing Managers – 2,367
Security Guards – 1,899
Sales Representatives, Wholesale and Manufacturing – 1,807
Retail Salespersons – 1,750
Registered Nurses – 1,650
First-Line Supervisors of Retail Sales Workers – 1,396
General and Operations Managers – 1,193
Customer Service Representatives – 1,037

Top 10 Cities

San Jose – 30,899
Santa Clara – 11,077
Sunnyvale – 8,798
Palo Alto – 7,859
Mountain View – 6,318
Milpitas – 3,029
Cupertino – 2,785
Campbell – 1,614
Gilroy – 1,346
Los Gatos – 1,280

Sources: ¹ Current Employment Statistics (June 2021), ² Local Area Unemployment Statistics (June 2021), ³ Conference Board; Help Wanted Online (June 2021)

III.E

Workplan

[Discussion]

WORKPLAN

Staff will update the committee on the status of various work plan items for future discussion and possible action.

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III.F

Other Staff Reports

[Discussion]

OTHER STAFF REPORTS

Staff will provide brief reports on various matters of interest not on the agenda.

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IV.

Other

V.

Adjournment