



EXECUTIVE COMMITTEE SPECIAL MEETING AGENDA

**Friday, November 8, 2019
2:30 pm**

Business Services & Administration Center
5730 Chambertin Drive
San Jose, CA 95118
(Teleconference Location: 616 Kay Springs Ct, Morgan Hill)
www.work2future.biz

**Joseph Flynn, Chair, Executive Committee
Monique Melchor, Secretary**

The City of San Jose is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public. For additional information, please view:

<http://www.sanjoseca.gov/DocumentCenter/Home/View/17>

For questions regarding this agenda, please call Lawrence Thoo at 408.794.1170. To request an accommodation or alternative format for work2future meetings, events or printed materials, please call Kathryn Azevedo at 408.794.1176 or call 408.294.9337 (TTY) as soon as possible, but at least three business days before the meeting/event.

EXECUTIVE COMMITTEE

Friday, November 8, 2019

2:30 pm

SPECIAL MEETING AGENDA

I. CALL TO ORDER & QUORUM VERIFICATION

II. PUBLIC COMMENT

To address the committee regarding a matter not on the agenda, please complete a blue speaker's card and hand it to a staff person. Speakers are limited to two minutes each.

III. CONSENT ITEMS {Action}

Approve the acceptance of:

5 min
2:35 pm end

- A. **Fiscal Year 2019 Year-End (June 30) Financial Status Report**
- B. **August 31, 2019 Financial Status Report**
- C. **Labor Market Overview as of September 30, 2019**

IV. BUSINESS ITEMS

A. Old Business

1. Executive Committee Minutes Approval {Action}

Approve the minutes of the September 19, 2019 Executive Committee meeting.

5 min
2:40 pm end

B. New Business

1. FY 2019–20 Program Operating Budget Reconciliation {Action}

Joy Salandanan, Finance Manager

10 min
2:50 pm end

Recommend that the Board accept staff's proposed adjustments to the Fiscal Year 2019–20 Program Operating Budget as follows: i) Re-budget \$185,352 in additional carry-over *program* funding and \$10,621 in *administrative* funding from FY 2018-19, thereby amending the estimated carry-over funding as of March 31, 2019 that was included in the June 2019 Board-approved Program Operating Budget for FY 2019-20; ii) Increase funding by \$122,660 in the WIOA Rapid Response operating budget compared to estimated funding; and iii) Include a Summary of Discretionary Funding, both new and carry-over, in the amount of \$2,216,299.

2. Amendments to the Board By-Laws {Action: Executive Cmte only}

Lawrence Thoo, Staff Liaison

10 min
3:00 pm end

Recommend that the Board approve the By-Laws as amended to: i) comply with the requirements of §14402 of the California Unemployment Insurance Code; ii)

add the June 16, 2016 Board approved delegation of approval authority to the Executive Committee; and iii) clarify and streamline standing committees.

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 IN THE COUNCIL CHAMBERS AND COMMITTEE ROOMS**

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.

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 required in the Council Chambers and Committee Rooms at all times.
- 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 Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
- g. All persons entering the Council Chambers and Committee Rooms, 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 Council Chambers and Committee Rooms, 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 Council Chambers and Committee Rooms 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 Council, Committee, Board or Commission:
 - 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 City Clerk or other 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 City business on the agenda, unless they are speaking during open forum.
 - d. Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council Members, Board Members, Commissioners 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 City Clerk or other 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 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 &
Quorum Verification**

II.

Public Comment

To address the committee regarding a matter not on the agenda, please complete a blue speaker's card and hand it to a staff person. Speakers are limited to two minutes each.

III.

Consent Items

[Action]

III.A

Fiscal Year 2019 Year-End (June 30) Financial Status Report

[Action]

FISCAL YEAR 2019 (JUNE 30, 2019) PRELIMINARY FINANCIAL STATUS REPORT

Key Highlights

- WIOA formula and Rapid Response carry-over funding from FY2017-18 was fully spent by June 30, 2019.
- At the end of the preliminary close as of June 30, 2019, work2future had a balance of \$2.68 million from FY2018-19 Adult, Dislocated Worker, and Youth allocations:
 1. Board-mandated Reserve Account: \$948,373;
 2. Board-approved Unallocated Reserve Account: \$693,789; and
 3. Actual savings of \$1,038,190 comprised of the following:
 - a) savings from equipment return: \$38,498
 - b) savings from unspent contracted services from current and previous years: \$416,649
 - c) savings from personnel costs generated by mandatory one-month separations from City employment for temporary unclassified positions whose assignments have or would have reached the maximum two-year employment period, unfilled vacant position, and a portion of staff salaries budget that was transferred to discretionary grants: \$434,094
 - d) non-personnel savings from maintenance, telephone, security services, unencumbered website contract, and overhead adjustment: \$73,779
 - e) savings from unspent clients' training and supportive services budget: \$75,170

Other Discretionary Funding

- work2future fully spent its Prop 39 grant balance of \$82,535 at the close of the grant. As of December 31, 2018 (term-end date of the grant), work2future had conducted 18 pre-apprenticeship trainings and graduated 474 clients through its partners, Working Partnerships USA and San Mateo County Union Community Alliance. Of those who have completed training, 352 have been placed to-date in apprenticeships and in other employment or post-secondary education. Staff continue to provide placement support for the remaining graduates. This grant has been closed.
- work2future spent the remaining \$44,394 of the reduced balance from the third round of Ready to Work (RTW) Initiative grant funds from the City of Sunnyvale by the end of the grant term October 31, 2018. At the end of the grant, work2future had reached 133 enrollments (76% of total grant goal), including 54 in occupational training (102% of total grant goal), and assisted 88 RTW participants to find jobs (79% of total grant goal) at an average hourly wage rate of \$37.38 (125% of grant goal). This grant has been closed and follow-up services will be provided until October 2019 (one year after the close of the grant).
- A total funding amount of \$1.5 million was provided for the San Jose Works 4.0 Youth Jobs Initiative, which included a new grant from the City of San Jose for \$1.0 million and \$502,400 in carry-over unspent funding from the San Jose Works 3.0 Youth Jobs Initiative. An additional amount of \$89,000 was appropriated by City Council in October 2018 and \$2,400 was carried over as an encumbrance. As of April 30, 2019 (end of SJW 4.0), 375 youth were provided with grant-subsidized internships and 627 youth were placed in employer-paid job opportunities, more than meeting a goal of providing subsidized and unsubsidized employment opportunities to 1,000 eligible youth. As of June 30, 2019, 86% of the youth have successfully completed their subsidized

internships and 625 others have already been placed in employer-paid opportunities. In addition to recruitment, placement, and onboarding services, youth were also provided career counseling, job readiness training, supportive services (e.g. bus passes), and financial literacy education.

In May 2019, staff started outreach and recruitment for the San Jose Works 5.0 program, with a total goal of 1,000 youth: 375 subsidized and 625 unsubsidized. Employers such as Intrepid Electronics Systems, FAIM Marketing, Lehigh Hanson, HP Machine & Engineering Inc., Next Flex, and Achievement Engineering Group have already participated.

- work2future has fully spent the remainder of the Career Pathways Trust grant funds in the amount of \$99,283 at the preliminary close ending June 30, 2019. This grant covered a portion of the salaries and benefits of three full-time equivalent positions at the work2future Foundation working on the grant. Overall, work2future has served 30 participants, all of them successfully completing internships ranging from 8 to 10 weeks each. Discussion is ongoing about possible funding for another cohort in the summer of 2019. This grant has been closed.
- A grant of \$7,000 was received from the State to support implementation of the CalJOBS VOSGreeter module, an enhancement that will make it easier to track individual visits to the Job Centers. This grant has been fully spent and closed.
- An additional grant of \$86,319 was received from the City of Sunnyvale (NOVA) to augment \$200,000 received from the State for the Regional Plan Development and Training Coordination Project. In January 2019, work2future received notification of a second additional grant of \$29,351 from NOVA, for a total grant of \$115,670. The funds support the implementation of the regional plan across the Bay-Peninsula Regional Planning Unit (RPU), including expenses for team development and staff training. Both grants have been fully spent (\$200,000—March 31, 2019; \$115,670—June 30, 2019) and have been closed.
- work2future has received the third and last installment of the Storm grant. The total grant of \$1 million is for a term originally from March 1, 2017 through September 30, 2018. The grant has been extended to September 30, 2019 with no additional funding. This grant has helped dislocated workers through temporary jobs: performing storm/flood clean up at the Japanese Friendship Garden at Kelly Park, and debris/street clean-up at Rocksprings and William Street Neighborhoods which were worst hit during the flood event in 2017. At the end of June 30, 2019, work2future has 67 placements, which is above the placement goal of 65 (original goal is 50). Even though this grant ends in September 30, 2019, the grant has achieved its program goals and funding has been fully spent at the end of June 20, 2019. This grant has been closed.
- work2future received its allocation from the Prison to Employment (P2E) Initiative Planning Grant from the City of Sunnyvale (NOVA) in the amount of \$16,625. These funds had been fully spent by the end of June 30, 2019 supporting staff time associated with the development of ongoing relationships with specific government agencies that serve incarcerated populations, including the California Department of Corrections and Rehabilitation, the California Prison Authority, etc., in looking at best practices and program models that work2future can support. An additional \$7,938 had been received to augment the planning and development stages of the P2E program.

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work2future
Financial Status Report as of 6/30/2019
PD 15 Status 1 (Preliminary Close)

Prepared by: Joy Salandanan
Approved by: Monique Melchor

CWDB	Adult	Dislocated Worker	Youth	RR	TOTAL WIOA
Grant Period	07/01/17-06/30/19	07/01/17-06/30/19	04/01/17-06/30/19	07/01/17-06/30/19	
Available Funds for FY2018-2019 PD 14	2,484,334	1,898,961	2,232,562	618,032	7,233,889
Actual Expenditures as of June 30, 2018	(1,546,745)	(470,114)	(1,258,257)	(582,352)	(3,857,468)
Encumbrances/Spending Plan as of June 30 2018	(156,347)	(460,505)	(23,764)	(215)	(640,832)
Total Actual Expenditures/Encumbrances/Spending Plan as of June 2018	(1,703,092)	(930,619)	(1,282,021)	(582,567)	(4,498,300)
Available Funds for FY2018-2019	781,242	968,342	950,541	35,465	2,735,589
% Remaining	31%	51%	43%	6%	38%
II. Actual Expenditures/Encumbrances					
(a) Available Funds from Carry over for FY2018-2019 (remaining plus enc.)	937,589	1,428,847	974,305	35,680	3,376,421
Expenditures as of June 30, 2019	(937,589)	(1,428,847)	(974,305)	(35,680)	(3,376,421)
Encumbrances as of June 30, 2019		0		0	0
Total Actual Expenditures/Encumbrances as of June 30, 2019	(937,589)	(1,428,847)	(974,305)	(35,680)	(3,376,421)
\$ Remaining	0	0	0	0	0
% Remaining	0%	0%	0%	0%	0%
(b) Current Allocation for FY 2018-2019	1,965,619	2,289,129	2,067,738	497,823	6,820,309
Additional Funding	7,059	10,440	6,324	516	24,339
Transfer between Adult and Dislocated Worker	150,000	(150,000)	0	0	0
Rescission	0	0	0	0	0
Adjusted Allocation for FY 2018-2019	2,122,678	2,149,569	2,074,062	498,339	6,844,648
Expenditures as of June 30, 2019	(1,439,475)	(325,291)	(1,197,646)	(498,339)	(3,460,751)
Encumbrances as of June 30, 2019	(43,096)	(609,014)	(51,435)		(703,545)
Total Actual Expenditures/Encumbrances as of June 30, 2019	(1,482,571)	(934,305)	(1,249,081)	(498,339)	(4,164,296)
\$ Remaining	640,107	1,215,264	824,981	0	2,680,352
% Remaining	30%	57%	40%	0%	39%
Total Available Funds for FY2018-2019	3,060,267	3,578,416	3,048,367	534,019	10,221,069
Total Cumulative Expenditures/Encumbrance as of June 30, 2019	(2,420,160)	(2,363,152)	(2,223,386)	(534,019)	(7,540,717)
\$ Remaining	640,107	1,215,264	824,981	0	2,680,352
% Remaining	21%	34%	27%	0%	26%
III. Actual vs. Projected Expenditures/Carry Over through June 30, 2019					
Actual Expenditures/Encumbrances through June 2019	(1,482,571)	(934,305)	(1,249,081)	(498,339)	(4,164,296)
Actual Carry Over through June 2019 (\$)	640,107	1,215,264	824,981	0	2,680,352
Actual Carry Over through June 2019 (%) with Rapid Response	30%	57%	40%	0%	39%
Actual Carry Over through June 2019 (%) without Rapid Response	30%	57%	40%	0%	42%
Projected Expenditures/Encumbrances through June 2019	(1,633,778)	(914,037)	(1,253,032)	498,339	(3,302,508)
Projected Carry Over through June 2019 (\$)	590,976	1,135,532	821,030	0	2,547,538
Projected Carry Over through June 2019 (%) with Rapid Response	28%	53%	40%	0%	37%
Projected Carry Over through June 2019 (%) without Rapid Response	28%	53%	40%	0%	40%

work2future
Financial Status Report as of 6/30/19
Pd 15 Stat 1 (Preliminary Close)

EXECUTIVE CMTE: 11-08-19
AGENDA ITEM: III.A attachment

Other Discretionary Funds	CWDB Proposition 39 Grant Closed	DOL ETA H-1B Ready to Work Partnership Initiative *	City of San Jose Youth Summer Program Initiative	Career Pathway Trust Closed	CALJOBS VOS Enhancement Touch Screen Closed	Regional Training Coordinator Closed	Regional Training Coordinator (NOVA) Closed	NDWG Flood Event 2017 Closed	Prison to Employment (NOVA)	Total
I. Actual as of June 30, 2018										
Grant Period	06/01/2014- 12/31/2018	11/01/2014- 10/31/2018	07/01/2018- 6/30/2019	07/01/2015- 06/30/2019	03/01/2015- 9/30/2018	03/01/2017- 03/31/2019	03/01/2018- 06/30/2019	03/01/2017- 9/30/19	10/1/2018- 12/31/2019	
Original Allocation	900,000	232,007	1,500,000	150,000	7,000	200,000	86,319	666,666	16,625	3,758,617
Increase/(Decrease)	468,750	311,699	91,400	100,000	0	0	29,351	333,334	7,938	1,342,472
Adjusted Allocation	1,368,750	543,706	1,591,400	250,000	7,000	200,000	115,670	1,000,000	24,563	5,101,089
Expenditures as of June 30, 2018	(1,286,215)	(499,312)		(150,717)	(3,436)	(86,025)	0	(624,277)	0	(2,649,982)
Encumbrance as of June 30, 2018	(45,213)	0	0	0	0	0	0	0		(45,213)
Total Actual Expenditures/Encumbrances as of June 2018	(1,331,428)	(499,312)	0	(150,717)	(3,436)	(86,025)	0	(624,277)	0	(2,695,195)
Available Funds for FY 2018-2019	37,322	44,394	1,591,400	99,283	3,564	113,975	115,670	375,723	24,563	2,405,894
% Remaining	3%	8%	100%	40%	51%	57%	100%	38%	100%	47%
Available Funds for FY2018-2019	82,535	44,394	1,591,400	99,283	3,564	113,975	115,670	375,723	24,563	2,451,107
Expenditures as of June 30, 2019	(82,535)	(44,394)	(998,886)	(99,283)	(3,564)	(113,975)	115,670	(375,723)	(16,625)	(1,619,315)
Encumbrances as of June 30, 2019			(409,063)		0	0	0	0	0	(409,063)
Cumulative Expenditures/Encumbrances as of June 30, 2019	(82,535)	(44,394)	(1,407,949)	(99,283)	(3,564)	(113,975)	115,670	(375,723)	(16,625)	(2,028,378)
Remaining	0	0	183,451	0	0	0	231,340	0	7,938	422,729
% Remaining	0%	0%	12%	0%	0%	0%	200%	0%	32%	17%
III. Actual vs Projected Expenditures/Carry Over										
Actual Expenditures/Encumbrances through June 2019	(82,535)	(44,394)	(1,407,949)	(99,283)	(3,564)	(113,975)	(115,670)	(375,723)	(16,625)	(2,259,718)
Actual Carry Over through June 2019 (\$)	0	0	183,451	0	0	0	0	0	7,938	191,389
Actual Carry Over through June 2019 (%)	0%	0%	12%	0%	0%	0%	0%	0%	32%	8%
Projected Carry Over through June 2019 (\$)	0	0	208,385	0	0	0	0	0	7,938	216,323
Projected Carry Over through June 2019 (%)	0%	0%	13%	0%	0%	0%	0%	0%	32%	9%

work2future
Financial Status Report as of 6/30/2019
Pd 15 Stat 1 (Preliminary Close)

Other Funds	CWDB	Bank of America (BOS)	NFTE	W2F Foundation	Total
I. Actual as of June 30, 2018		CLOSED	CLOSED		
Grant Period	N/A	N/A	N/A	N/A	
Original Allocation	5,000	10,000	801	15,454	31,255
Expenditure/Encumbrances as of June 2018	0	(3,258)	0	0	(3,258)
<i>Total Actual Expenditures/Encumbrances as of June 2018</i>	0	(3,258)	0	0	(3,258)
Available Funds for FY 2018-2019	5,000	6,742	801	15,454	27,997
% Remaining	100%	67%	100%	100%	90%
II. Actual Expenditures					
Available Funds for FY 2018-2019	5,000	6,742	801	15,454	27,997
<i>Expenditures as of June 30, 2019</i>		(6,742)	(801)	(530)	(8,073)
<i>Encumbrances as of June 30, 2019</i>		0	0	0	0
Cumulative Expenditures as of June 30, 2019	0	(6,742)	(801)	(530)	(8,073)
\$ Remaining	5,000	0	0	14,924	19,924
% Remaining	100%	0%	0%	97%	71%
III. Actual vs. Projected Expenditures and Encumbrances/Carry Over					
<i>Actual Carry Over through June 2019</i>	5,000	0	0	14,924	19,924
<i>Actual Carry Over (%) through June 2019</i>	100%	0%	0%	97%	71%
<i>Projected Carry Over through June 2019</i>	5,000	0	0	14,924	19,924
<i>Projected Carry Over (%) through June 2019</i>	100%	0%	0%	97%	71%

III.B

August 31, 2019

Financial Status Report

[Action]

PRELIMINARY FINANCIAL STATUS AS OF AUGUST 31, 2019

Key Highlights

- WIOA formula and Rapid Response carry-over funding from FY 2018-19 is projected to be fully spent by June 30, 2020.
- As of August 31, 2019, work2future has \$1.566 million from the current Adult, Dislocated Worker, and Youth allocations to be carried over to FY 2020-21 representing:
 1. Board-mandated Reserve Account: \$869,474
 2. Board-approved Unallocated Reserve Account: \$693,789
 3. Projected salary savings from temporary unclassified position term expiring with a 30-day gap in employment prior to re-hire: \$3,585

Other Discretionary Funding

- work2future received \$1.5 million from the City's General Fund for San Jose Works 5.0, in addition to the carry-over encumbrance balance of \$592,514 from FY 2018-19, for a total funding of \$2,092,514. As of August 31, 2019, over **94%** of the youth have successfully completed their subsidized internships and **180** others have already been placed in employer-paid opportunities. In addition to recruitment, placement, and onboarding services, youth were also provided career counselling, job readiness training, supportive services (e.g. bus passes), and financial literacy education.
- work2future has received a funding allocation for the Prison to Employment (P2E) Initiative Planning Grant from the City of Sunnyvale (NOVA) in the amount of \$7,938. The funds will augment the initial grant of \$16,625 to support a portion of staff time associated with the development of ongoing relationships with government agencies that serve incarcerated populations, including the California Department of Corrections and Rehabilitation, the California Prison Authority, etc., in looking at best practices and program models that work2future can support. Staff has been exploring the possibility of linking justice-involved populations to employers for on-the-job training opportunities and direct placements. This grant ends in December 31, 2019.
- Additional P2E funding of \$661,784 has been awarded to work2future: \$607,977 for P2E implementation and \$53,807 for work2future serving as the P2E program lead. The funds, in partnership with the Santa Clara County Probation Department and other correction system organizations, will support training, job placement and supportive services to eligible re-entry individuals. In addition, work2future will provide grant coordination for the P2E project in the Bay-Area Peninsula Regional Planning Unit (RPU), comprised of four workforce development boards: San Francisco, North Valley (NOVA), San Benito and work2future. The grant term for this award is from September 1, 2019 to March 31, 2022.
- work2future received funding of \$15,000 for the Regional Training Coordinator grant to support trainings, conferences, travel costs and costs associated with travel and professional development of work2future and partners' staff. This grant ended in September 30, 2020.

- A total of \$11,653 was awarded to work2future from the Slingshot 2.0 Apprenticeship Initiative grant to the Bay-Peninsula RPU. The joint project is focused on regional apprenticeship system alignment and systems building. The development of a regional model to facilitate apprenticeships is projected to be the outcome of this grant.

#

Attachments

work2future
Financial Status Report as of 8/31/19
Pd 2 Status 3

Prepared by: Joy Salandanan
Approved by: Monique Melchor

EXECUTIVE CMTE: 11-08-19
AGENDA ITEM: III.B attachment

WIOA Formula Funds	Adult	Dislocated Worker	Youth	RR	TOTAL WIOA
I. Actual as of June 30, 2019					
Grant Period	07/01/18-06/30/20	07/01/18-06/30/20	04/01/18-06/30/20	07/01/18-06/30/20	
Available Funds for FY2019-2020 PD 15 Stat 1	2,122,678	2,149,569	2,074,062	498,339	6,844,648
Actual Expenditures as of June 30, 2019	(1,439,475)	(325,291)	(1,197,646)	(498,339)	(3,460,751)
Encumbrances/Spending Plan as of June 30 2019	(43,096)	(609,014)	(51,435)	0	(703,545)
Total Actual Expenditures/Encumbrances/Spending Plan as of June 2019	(1,482,571)	(934,305)	(1,249,081)	(498,339)	(4,164,296)
Available Funds for FY2019-2020	640,107	1,215,264	824,981	0	2,680,352
% Remaining	30%	57%	40%	0%	39%
II. Actual Expenditures/Encumbrances					
(a) Available Funds from Carry over for FY2019-2020 (remaining plus enc.)	683,203	1,824,278	876,416	0	3,383,897
Expenditures as of August 31, 2019	(293,429)	(194,578)	(137,179)		(625,186)
Encumbrances as of August 31, 2019	(100,292)	(76,770)		0	(177,062)
Total Actual Expenditures/Encumbrances as of August 31, 2019	(393,721)	(271,348)	(137,179)	0	(802,248)
\$ Remaining	289,482	1,552,930	739,237	0	2,581,649
% Remaining	0%	85%	84%	0%	76%
(b) Current Allocation for FY 2019-2020	1,781,557	2,140,840	1,874,095	590,483	6,386,975
Additional Funding	0	0	0	0	0
Rescission	0	0	0	0	0
Adjusted Allocation for FY 2019-2020	1,781,557	2,140,840	1,874,095	590,483	6,386,975
Expenditures as of August 31, 2019	(28,209)	(37,289)	(27,670)	(62,543)	(155,711)
Encumbrances as of August 31, 2019		0	0	(5,000)	(5,000)
Total Actual Expenditures/Encumbrances as of August 31, 2019	(28,209)	(37,289)	(27,670)	(67,543)	(160,711)
\$ Remaining	1,753,348	2,103,551	1,846,425	522,940	6,226,264
% Remaining	98%	98%	99%	89%	97%
Total Available Funds for FY2019-2020	2,464,760	3,965,118	2,750,511	590,483	9,770,872
Total Cumulative Expenditures/Encumbrance as of August 31, 2019	(421,930)	(308,637)	(164,849)	(67,543)	(962,959)
\$ Remaining	2,042,830	3,656,481	2,585,662	522,940	8,807,913
% Remaining	83%	92%	94%	89%	90%
III. Projected Expenditures/Carry Over through June 30, 2020					
Projected Expenditures/Encumbrances through June 2020	(1,363,353)	(1,425,297)	(1,444,579)	(586,898)	(4,820,127)
Projected Carry Over through June 2020 (\$)	418,204	715,543	429,516	3,585	1,566,848
Projected Carry Over through June 2020 (%) with Rapid Response	23%	33%	23%	1%	25%
Projected Carry Over through June 2020 (%) without Rapid Response	23%	33%	23%	0%	27%

work2future
Financial Status Report as of 8/31/2019
PD 2 Stat 3

EXECUTIVE CMTE: 11-08-19
AGENDA ITEM: III.B attachment

Other Discretionary Funds	City of San Jose Youth Summer Program Initiative	Prison to Employment Planning (NOVA)	Prison To Employment Direct Service Earn and Learn (NOVA)	Prison to Employment Program Lead	Regional Training Coordinator Funds (NOVA)	SlingShot 2.0 Apprenticeship Initiative (NOVA)	Total
I. Actual as of June 30, 2019			NEW GRANT	NEW GRANT	NEW GRANT	NEW GRANT	
Grant Period	07/01/2019-6/30/2020	10/1/2018-12/31/2019	9/1/19-3/31/2022	9/1/19-3/31/2022	4/1/2019-9/30/2020	4/1/2019-9/30/2020	
Original Allocation	1,500,000	16,625	607,977	53,807	15,000	11,653	2,205,062
Increase/(Decrease)	91,400	7,938	0	0	0	0	99,338
Adjusted Allocation	1,591,400	24,563	607,977	53,807	15,000	11,653	2,304,400
Expenditures as of June 30, 2019	(998,886)	(16,625)	0	0	0	0	(1,015,511)
Encumbrance as of June 30, 2019	(409,063)	0	0	0	0	0	(409,063)
Total Actual Expenditures/Encumbrances as of June 2019	(1,407,949)	(16,625)	0	0	0	0	(1,424,574)
Available Funds for FY 2019-2020	183,451	7,938	607,977	53,807	15,000	11,653	879,826
% Remaining	12%	32%	100%	100%	100%	100%	38%
Available Funds for FY2019-2020	592,514	7,938	607,977	53,807	15,000	11,653	1,288,889
Funding 19-20	1,500,000	0	0	0	0	0	1,500,000
Total Available Funding for FY 2019-2020	2,092,514	7,938	607,977	53,807	15,000	11,653	2,788,889
Expenditures as of August 31, 2019	(141,413)	(5,908)	0	0	0	0	(147,321)
Encumbrances as of August 31, 2019	(265,783)	0	0	0	0	0	(265,783)
Cumulative Expenditures/Encumbrances as of August 31, 2019	(407,196)	(5,908)	0	0	0	0	(413,104)
Remaining	1,685,318	2,030	607,977	53,807	15,000	11,653	2,375,785
% Remaining	81%	26%	100%	100%	100%	100%	85%
III. Projected Expenditures/Carry Over							
Projected Expenditures/Encumbrances through June 2020	(1,500,000)	(7,938)	(265,000)	(23,060)	(15,000)	(11,653)	(1,822,651)
Projected Carry Over through June 2020 (\$)	592,514	0	342,977	30,747	0	0	966,238
Projected Carry Over through June 2020 (%)	28%	0%	56%	57%	0%	0%	35%

work2future

Financial Status Report as of 8/31/2019

PD 2 Status 3

Other Funds	CWDB	W2F Foundation	Total
I. Actual as of June 30, 2019			
Grant Period	N/A	N/A	
Original Allocation	5,000	15,454	20,454
Expenditure/Encumbrances as of June 2019	0	(530)	(530)
<i>Total Actual Expenditures/Encumbrances as of June 2019</i>	0	(530)	(530)
Available Funds for FY 2019-2020	5,000	14,924	19,924
% Remaining	100%	97%	97%
II. Actual Expenditures			
Available Funds for FY 2019-2020	5,000	14,924	19,924
<i>Expenditures as of August 31, 2019*</i>		150	150
<i>Encumbrances as of August 31, 2019</i>		0	0
Cumulative Expenditures as of August 31, 2019	0	150	150
\$ Remaining	5,000	15,074	20,074
% Remaining	100%	101%	101%
III. Projected Expenditures and Encumbrances/Carry Over			
Projected Carry Over through June 2020	5,000	15,074	20,074
Projected Carry Over (%) through June 2020	100%	101%	101%

Note: Positive number indicates accrual reversal.

III.C

Labor Market Overview **As of September 30, 2019**

[Action]

LABOR MARKET OVERVIEW AS OF SEPTEMBER 30, 2019

Between July 2019 and August 2019, the most recent month for which data is available, total employment in the San Jose-Sunnyvale-Santa Clara MSA, which also includes San Benito County, increased by 3,100 jobs to total 1,164,800.

The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 2.7 percent in August 2019, down from a revised 2.8 percent in July 2019, and below the year-ago estimate of 2.8 percent. This compares with an unadjusted unemployment rate of 4.2 percent for California and 3.8 percent for the nation during the same period. The unemployment rate was 2.6 percent in Santa Clara County.

The strong employment numbers, however, continue to obscure a persistent, potentially worsening, income gap in California, with several extreme examples in the Bay Area. In an October 7/8, 2019 [article on the subject](#), The Mercury News quotes a senior policy analyst at the California Budget and Policy Center: “We have two trends moving at the same time: Incomes remaining relatively flat for people in the middle and at the bottom of the income range, while the cost of living is going up.”

See <https://www.mercurynews.com/2019/10/07/income-inequality-is-on-the-rise-in-california-in-some-bay-area-counties-the-disparities-are-extreme/>

In an October 10, 2019 article on the same subject, the [Los Angeles Times reported](#) that the San Jose-Sunnyvale-Santa Clara MSA “had the largest gap of any California metro area between those at the top of the pay scale and those at the bottom.”

See <https://www.latimes.com/business/story/2019-10-10/wage-inequality-is-surg-ing-in-california-and-not-just-on-the-coast-heres-why>

The income gap trend in Silicon Valley reflects, in part, the continued thinning of middle-wage (Tier 2) jobs, in comparison to high-wage (Tier 1) and low-wage (Tier 3) jobs. It underscores the challenge that work2future and its partners in the local workforce development system face, as we strive to equip individuals with barriers to employment with the tools and capacity to compete successfully for work opportunities that can lead in a timely manner to, if not immediately provide the means for, economic self-sufficiency.

###

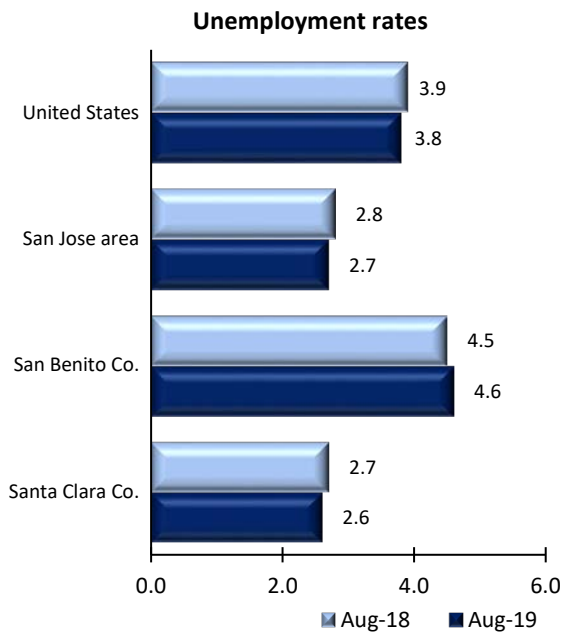
Attached: US Bureau of Labor Statistics’ most recent economic summary for the San Jose-Sunnyvale-Santa Clara MSA.

San Jose Area Economic Summary

Updated October 02, 2019

This summary presents a sampling of economic information for the area; supplemental data are provided for regions and the nation. Subjects include **unemployment, employment, wages, prices, spending, and benefits**. All data are not seasonally adjusted and some may be subject to revision. Area definitions may differ by subject. For more area summaries and geographic definitions, see www.bls.gov/regions/economic-summaries.htm.

Unemployment rates for the San Jose area, selected area counties, and the nation



Source: U.S. BLS, Local Area Unemployment Statistics.

Average weekly wages for all industries by county

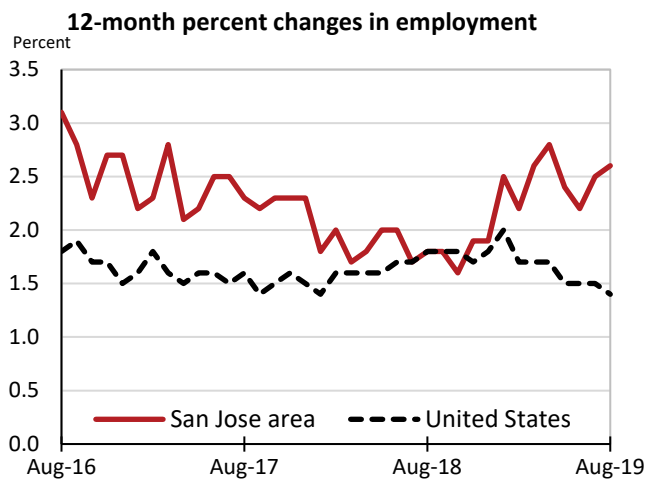
San Jose area, 1st quarter 2019

(U.S. = \$1,184; Area = \$2,732)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

Over-the-year changes in employment on nonfarm payrolls and employment by major industry sector

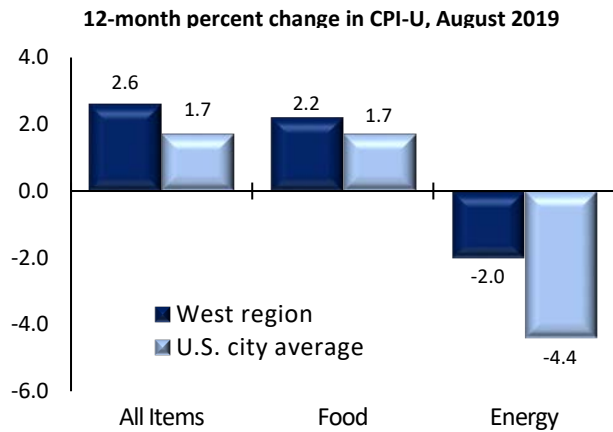


Source: U.S. BLS, Current Employment Statistics.

San Jose area employment (numbers in thousands)	Aug. 2019	Change from Aug. 2018 to Aug. 2019	
		Number	Percent
Total nonfarm	1,158.8	29.1	2.6
Mining and logging	0.2	0.0	0.0
Construction	50.8	0.2	0.4
Manufacturing	181.0	6.4	3.7
Trade, transportation, and utilities	133.8	-0.2	-0.1
Information	103.1	8.6	9.1
Financial activities	38.5	1.2	3.2
Professional and business services	246.9	7.1	3.0
Education and health services	173.8	2.7	1.6
Leisure and hospitality	107.7	0.0	0.0
Other services	29.0	0.0	0.0
Government	94.0	3.1	3.4

Source: U.S. BLS, Current Employment Statistics.

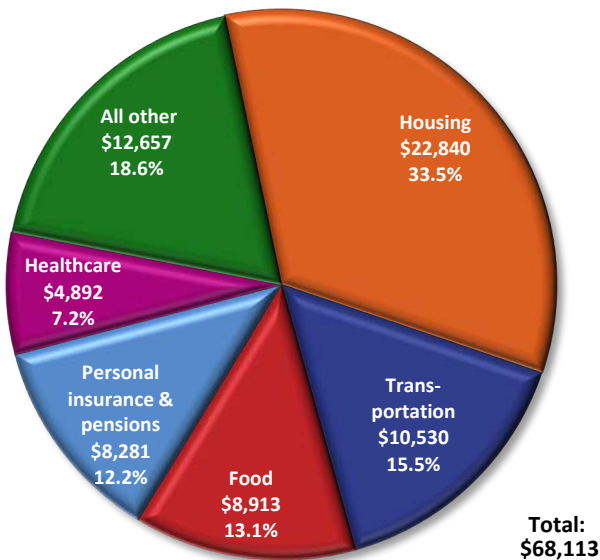
Over-the-year change in the prices paid by urban consumers for selected categories



Source: U.S. BLS, Consumer Price Index.

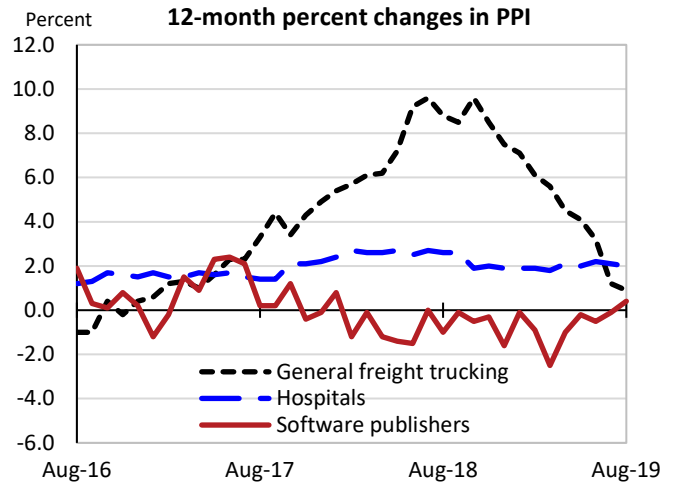
Average annual spending and percent distribution for selected categories

West Region average annual expenditures 2018



Source: U.S. BLS, Consumer Expenditure Survey.

Over-the-year changes in the selling prices received by producers for selected industries nationwide



Source: U.S. BLS, Producer Price Index.

Average hourly wages for selected occupations

Occupation	San Jose area	United States
Total, all occupations	\$38.69	\$24.98
Computer hardware engineers	69.34	56.66
Software developers, applications	63.33	51.96
Registered nurses	61.83	36.30
Financial analysts	56.31	48.55
Accountants and auditors	43.78	37.89
Graphic designers	33.93	26.29
Carpenters	30.53	24.58
Construction laborers	26.97	19.40
Semiconductor processors	23.18	19.14
Dental assistants	22.73	19.12
Retail salespersons	15.57	13.61
Cooks, fast food	12.39	10.89

Source: U.S. BLS, Occupational Employment Statistics, May 2018.

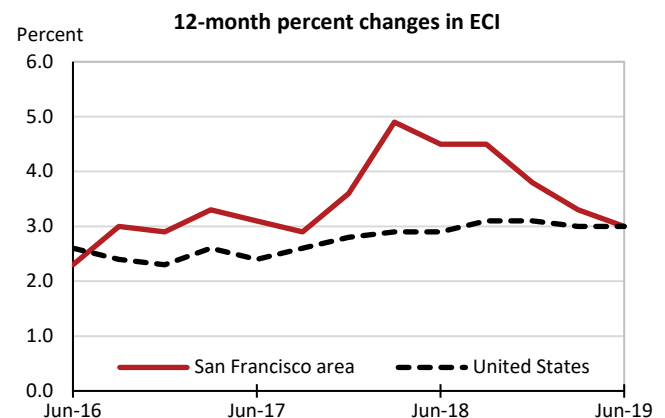
Employer costs per hour worked for wages and selected employee benefits by geographic division

Private industry, June 2019	Pacific (1)	United States
Total compensation	\$40.93	\$34.44
Wages and salaries	28.72	24.14
Total benefits	12.21	10.30
Paid leave	3.00	2.47
Vacation	1.55	1.27
Supplemental pay	1.09	1.11
Insurance	3.26	2.76
Retirement and savings	1.63	1.31
Legally required benefits	3.24	2.66

(1) Pacific includes AK, CA, HI, OR, and WA.

Source: U.S. BLS, Employer Costs for Employee Compensation.

Over-the-year changes in wages and salaries



Source: U.S. BLS, Employment Cost Index.

IV.A.1

Executive Committee Minutes Approval

[Action]

EXECUTIVE COMMITTEE

September 19, 2019
Called to Order at 11:30 am

Minutes

Prepared by Lawrence Thoo; reviewed by Monique Melchor

WDB Staff Present: Sangeeta Durrall, Monique Melchor, Lawrence Thoo

I. OPENING REMARKS

Chair Joe Flynn read the opening remarks

II. QUORUM VERIFICATION

Present: Joe Flynn, Susan Koepp-Baker, Rashad Said

Absent: Steve Preminger

III. CONSENT ITEMS {Action}

Susan Koepp-Baker moved, Rashad Said seconded and the committee unanimously approved acceptance of the Consent Items:

- A. March 31, 2019 Financial Status Report Errata
- B. July 31, 2019 Financial Status Report
- C. Fiscal Year 2019 Preliminary Year-End (June 30) Financial Status Report

IV. BUSINESS ITEMS

A. Old Business

1. May 16 Minutes Approval {Action}

Ms. Koepp-Baker moved, Mr. Said seconded, and the committee unanimously approved the minutes of the May 16, 2019 Joint Meeting of the Executive Committee and the Finance & Performance Committee.

2. June 6 Minutes Approval {Action}

Mr. Said moved, Ms. Koepp-Baker seconded, and the committee unanimously approved the minutes of the June 6, 2019 Special Meeting of the Executive Committee.

B. New Business

1. Director's Report {Discussion}

Monique Melchor, Director, informed the committee of the following:

- a) The state's program monitoring report had been received. There were no findings. The state's next program review is planned for March 2020.
- b) There is likely to be a routine Equal Employment Opportunity monitoring in 2020.
- c) Staff is waiting on the receipt of the Prison to Employment implementation grant of approximately \$600,000. The plan is to support services for 100–180 participants.

2. PY2017–PY2020 Local Plan and Regional Plan Modifications Approved {Discussion}

Sangeeta Durrall, Senior Project Manager, informed the committee that the California

Workforce Development Board has given final approval to required biennial modifications to work2future Local Plan, following the submission of additional information requested regarding partnerships discussed in the modifications. She reported that the Bay Peninsula Regional Plan modification have also received final approval. She noted that the partnership efforts County Social Services around CalFresh and CalWorks have already begun. She also noted that work continues to develop additional service partnerships, but WIOA documentation requirements and concerns about client confidentiality are frequent challenges to progress.

3. After-Action Report {Discussion}

Jack Estill, Chair of the Ad Hoc Committee formed to consider lessons learned from the termination of services by the work2future Foundation and subsequent actions by work2future to maintain continuity of services, reported on the ad hoc committee's meeting and shared the committee's recommendations, which included monitoring the corporate governance of service providers, ensuring that RFP evaluation of potential service providers include sufficiency of financial capacity, appropriate and successful program experience, multiple providers to the extent possible, regular and transparent communication with service providers, and a contingency plan for service provider failure. Executive Committee members suggested additionally that, if the City's attorneys agree, future contracts with service providers include a minimum notification requirement that service providers must observe should they wish to terminate services early and a penalty for not meeting that requirement.

4. Career Services Transition Report {Discussion}

Director Melchor reported that the transition of service providers from the work2future Foundation to Eckerd Connects had gone smoothly, with no interruption in services except for a week of training for the Foundation's program staff whom Eckerd had hired. Ms. Melchor noted that Youth Program enrollment has remained low, a situation Eckerd inherited from the Foundation, and Eckerd is implementing a Correction Action Plan. Staff will report again at the committee's next meeting on service delivery under Eckerd's management.

5. Board Committees {Action}

Following a review by Director Melchor, Mr. Said moved, Ms. Koepp-Baker seconded, and the committee unanimously approved a recommendation, as proposed, to amend the By-Laws to consolidate the Executive Committee and the Finance & Performance Committee, reconstitute the Youth Committee, and establish a Business Services Committee in place of the Private Employers Business Council Committee, drawing on provisions in federal and state law regarding WIOA for guidance.

V. PUBLIC COMMENT

None

VI. SUGGESTIONS FOR FUTURE AGENDA ITEMS

a) Follow up on the After Action report and discussion

- b) Follow up on the Board Committees action
- c) Report on (Eckerd) performance

VII. ANNOUNCEMENTS

- A.** The next meeting of the Executive Committee is scheduled for Thursday, October 17, 2019, 11:30 am, to be held jointly with the Finance & Performance Committee at the Business Services & Administration Center, 5730 Chambertin Dr, San Jose.
- B.** The next meeting of the work2future Board is scheduled for Thursday, November 21, 2019, 11:30 am, at the San Jose America's Job Center of California, 1601 Foxworthy Ave, San Jose.
- C.** Elections for the Chair and Co-chair of the Board for 2020 and 2021 will be held at the November 21 Board meeting.
- D.** Job Fair at Mexican Heritage Plaza, September 26, 1 pm–3:30 pm; Census Jobs Application Workshop at San Jose Job Center, September 30, 1 pm–4:30 pm.

VIII. ADJOURNMENT

The meeting was adjourned at 12:31 pm.

IV.B.1

FY 2019-20

Program Operating Budget Reconciliation

[Action]



Memorandum

TO: EXECUTIVE COMMITTEE

FROM: Joy Salandanan

SUBJECT: See Below

DATE: October 11, 2019

Approved

Date

SUBJECT: FY 2019-20 Program Operating Budget Reconciliation for 2018-19 Carry-Over Savings and FY 2019-20 WIOA Formula and Rapid Response Funding Adjustment

RECOMMENDATION

Recommend that the Board accept staff's proposed adjustments to the Fiscal Year 2019–20 Program Operating Budget as follows:

- i) Re-budget \$185,352 in additional carry-over *program* funding and \$10,621 in *administrative* funding from FY 2018-19, thereby amending the estimated carry-over funding as of March 31, 2019 that was included in the June 2019 Board-approved Program Operating Budget for FY 2019-20;
- ii) Increase funding by \$122,660 in the WIOA Rapid Response operating budget compared to estimated funding; and
- iii) Include a Summary of Discretionary Funding, both new and carry-over, in a total amount of \$2,216,299.

BACKGROUND AND ANALYSIS

On April 24, 2019, the State of California Employment Development Department (EDD) released its *planned* allocation for WIOA Adult, Dislocated Worker, and Youth Funding streams for FY 2019-20. These allocations are based on the allotments to States issued by the U.S. Department of Labor (DOL), as recognized in Training and Employment and Guidance Letter 16-18, dated April 10, 2019. EDD's location for work2future reflected an approximately 8% reduction overall from FY 2018-19 funding.

On May 16, 2019, work2future staff submitted to the Executive Committee and Finance & Performance Committee and, on June 20, 2019, to the full Board the Proposed FY 2019-20 WIOA Program Operating Budget. This included the planned WIOA allocation from the State EDD, estimated Rapid Response funding, and projected WIOA Adult, Dislocated Worker, and Youth programs carry-over funding from FY 2018-19.

On June 19, 2019, work2future received its *planned* Rapid Response and Layoff Aversion funding allocation for FY 2019-20. This planned allocation was released for planning and budgeting purposes only. Once the State receives federal and state authority for these funds, the *final* allocations will be released.

In addition, at the *preliminary* FY 2018-19 year-end close of June 30, 2019, work2future generated an additional \$185,352 in unspent funding compared to the projected carry-over amount in the Proposed

Budget as of March 31, 2019. The additional savings were generated between the months of April 2019 and June 30, 2019, mostly from unanticipated unspent contracted services from previous years.

With the continuing decline in federal WIOA funding, staff proposes to set aside the additional carry-over funding of \$185,352 to the Unallocated Contingency Reserve account. work2future can then tap into this reserve account during the fiscal year, should there be a need for additional client services that were not anticipated during the budget preparation:

WIOA Contingency Reserve Account

Budget Details	June 2019 Board-Approved Contingency Reserve Account	Proposed Budget Adjustment	Amended Contingency Reserve Account
	A	B	C = (A+B)
WIOA Unallocated Contingency Reserve Account	\$693,789	\$185,352	\$879,141

With the additional \$185,352 set aside for contingency purposes, the contingency reserve account would be approximately \$1.7 million including the 15% Board-mandated reserve of \$869,474 which represents approximately 30% of the current WIOA formula funding allocation. If not spent, this amount will be carried over to the FY 2020-21.

WIOA ADMINISTRATIVE FUNDING

The work2future administrative budget increases by \$10,621 from \$579,649 to \$590,270. The increase represents carry-over administrative funding from FY 2018-19.

Staff proposes that work2future budgets to pay \$26,776 towards City overhead. As in previous years, work2future is not able to pay the full projected City overhead cost of \$745,000 for FY 2019-20, which is based on the recently released City computed overhead rate for work2future of 45.58%. This rate reflects an increase of 16.13 percentage points compared to the overhead rate of 29.45% for FY 2018-19. The change stems primarily from higher than originally estimated actual costs that formed the basis for calculating the FY2018-19 overhead rate. This resulted in a true-up adjustment for the difference being added to this year's overhead calculation.

work2future staff have been in discussion with the City's Finance Department and the Budget Office to exempt work2future from the standard methodology that the City uses for computing overhead rate for grants and to allow work2future to set a rate that can be accommodated by the State's funding mechanism on administrative services, considering the fluctuating nature of work2future funding.

To date, there has been no resolution of this issue. However, as work2future has experienced a substantial decline in its WIA/WIOA formula funding allocation since FY 2012-13, the City has accommodated work2future's situation by allowing work2future to pay only a portion of the computed indirect costs as its WIOA funding will allow.

work2future staff proposes to add \$10,621 to the payment towards the City's overhead costs as follows:

Budget Details	June 2019 Board-Approved City Overhead Cost	Proposed Budget Adjustment	Amended City Overhead
	A	B	C = (A+B)
City Overhead Costs @ 3.5% effective rate	\$16,155	10,621	\$26,776

WIOA RAPID RESPONSE FUNDING

The State of California EDD released the FY 2019-20 *planned* Rapid Response final funding allocation to Local Workforce Development Boards on June 19, 2019. work2future has been allocated \$590,483 in both *base and lay-off aversion* funding, a total funding increase of \$122,660 compared to the \$467,823 *estimated funding* submitted and approved by the Board in June 2019.

The following are the proposed budget adjustments to the Rapid Response funding and the corresponding financial impact on the operational budget:

Budget Details	June 2019 Board-Approved Rapid Response Budget	Proposed Adjustment	Proposed Revised Rapid Response Budget
WIOA Rapid Response Allocation	\$467,823	122,660	\$590,483

The following are the proposed changes to the Rapid Response Operating Budget:

Budget Details	June 2019 Board-Approved Rapid Response Budget	Proposed Adjustment	Revised Rapid Response Allocation
Personnel Costs (3.5 FTEs)	\$371,580	98,397	\$469,977
Non-Personnel Costs	61,458	0	61,458
City Overhead Costs @ 10% of Allocation	34,785	24,263	59,048
Total Proposed Rapid Response Budget	\$467,823	122,660	590,483

The increase in the personnel line item budget will allow work2future to reinstate one temporary unclassified position and to increase the City Overhead to equal 10% of the FY 2019-20 Rapid Response allocation.

DISCRETIONARY CARRY-OVER AND NEW FUNDING

All discretionary funds except for the BOS initiative and California Workforce Development Board (formerly California Workforce Association) funding are for a term period that crosses over two or more fiscal years. Thus, unspent funding can be carried over to the remaining months of the grant period and reimbursed

only when expenditures are incurred against the grant. On the other hand, the BOS Initiative and California Workforce Development Board funds are ongoing items which have already been received, and unspent funding has been carried over from one fiscal year to the next until the funds are totally spent.

Also included in this funding group is the on-going funding from the City General Fund of \$1.5 million to support the San Jose Works program.

Discretionary funding was not included in the Proposed Operating Budget which the Board approved in June 2019.

The following table is a Summary of Discretionary Funding for FY 2019-20:

Discretionary Funding	Proposed Amount
San Jose Works 5.0 Program Initiative *	1,500,000
Prison to Employment (P2E) Direct Service/Earn and Learn Grant	607,977
P2E Program Lead Grant	53,807
Regional Training Coordinator Funds	15,000
Business Owner's Space (BOS) Initiative	14,924
Slingshot 2.0 Apprenticeship	11,653
P2E Planning Grant	7,938
California Workforce Development Board	5,000
Total Discretionary Carry Over Funding	\$2,216,299

*Represents the yearly funding available from the City General Fund to support SJ Works.

/s/
Joy Salandanan
Finance Manager

cc: Monique Melchor, work2future Director
Jeff Ruster, Assistant Director, Office of Economic Development

IV.B.2

Amendments to the Board By-Laws

[Action]



Memorandum

TO: EXECUTIVE COMMITTEE

FROM: Lawrence Thoo

SUBJECT: **Amendments to Board By-Laws**

DATE: October 18, 2019

Approved

Date

RECOMMENDATION

Recommend that the Board approve the By-Laws as amended to:

- i) Comply with the requirements §14402 of the California Unemployment Insurance Code (CUIC) regarding Local Workforce Development Board membership;
- ii) Add the delegation of approval authority to the Executive Committee which the Board approved on June 16, 2016; and
- iii) Clarify and streamline standing committees by consolidating the Finance & Performance Committee into the Executive Committee and establishing elections and terms for at-large members of the committee; and establishing a Business Services Committee to replace the Private Employers Business Council Committee.

BACKGROUND AND ANALYSIS

At the Board retreat on June 20, 2019, Board members expressed a strong sense that all Board members should serve on a committee. Members present indicated their interest in various committees.

Pursuant to the above, and in order to eliminate redundancy and streamline certain committee operations, at its meeting on September 19, 2019, the Executive Committee approved a recommendation to amend the By-Laws to achieve the following:

- Consolidation of the responsibilities of the Executive Committee and the Finance & Performance Committee into a single Executive Committee comprised of seven members: Board Chair and Co-chair, the chairperson of each standing committee, and a sufficient number of additional Board members elected at large by the Board to ensure that the committee has seven members.
- Establishment of a Business Services Committee, as required by CUIC §14200(c)(9)(C), comprised of Board members who represent the leading industries and employers in the regional economy and potential emerging sectors that have significant potential to contribute to job growth in the regional economy if investments were made for training and educational programs, as well as business executives who are not formally members of the Board but, nonetheless, represent the kinds of employers described above. The Chair shall appoint Board members to the Committee and the Executive Committee shall elect Committee members who are not on the Board. The Committee shall replace the Private Employers Business Council Committee.

- In keeping with CUIC §14200(c)(9)(C), the Committee will develop and make recommendations for the Board's business service plan to increase employer involvement in the activities of the local workforce development board.

In accordance with the Executive Committee's recommendation, staff has drafted amendments to Article VI of the By-Laws, specifically §6.1 through §6.16. In doing so, staff has added as §6.4 the Board's delegation of approval authority to the Executive Committee, which the Board approved on June 16, 2016. Incorporation of this delegated authority into the By-Laws will remove the need to refer to the Board's June 16, 2016 action on every occasion when the Executive Committee is required to exercise its delegated authority.

Technical Amendments

Staff has drafted an amended Article III, §3.6, which stipulates the composition of Board membership. To ensure that the By-Laws are in full agreement with California's requirements for local workforce board membership, as detailed in the California Unemployment Insurance Code (CUIC), §14402, staff has replaced the original Article III, §3.6 language with the language of CUIC §14402, with references appropriate to work2future in place of generic references local areas and local boards. This is a technical correction to Article III, §3.6, which abbreviated the provisions of CUIC §14402.

Staff has also included a small number of minor changes to update references and training requirements and to correct language.

Impact and Workload

If the Board approves the By-Laws as amended, the Board Chair will appoint members to the Business Services Committee, and the Board will elect the at-large members of the Executive Committee. The at-large members of the Executive Committee will serve staggered two-year terms so that not all members will term out at the same time. There will be an initial one-year term for half of the at-large members to establish the staggered rotation. At-large members would serve up to two consecutive terms before taking at least a year off from the committee. This will ensure that there is periodic rotation of members on the Executive Committee, increasing opportunities for Board member engagement and leadership development.

With sufficient and appropriate membership, and focused pursuit of their purposes, the two standing committees should empower Board members to better participate in ensuring work2future's success without requiring the full Board to meet more than the three or four times a year that it currently does. The inclusion of additional expertise on the Business Services committee without requirements for full Board membership should provide for a greater breadth of informed input.

As the Board Chair has the discretion to appoint ad hoc committees as needed, it is recommended that the Chair appoint an ad hoc Youth Committee as and when there are issues related to youth services that would benefit from focused consideration by a committee of the Board. Such a committee could include expertise from outside the Board, as needed and appropriate. By keeping the number of standing committees to a minimum, the workload associated with providing appropriate and necessary support to committees can be better managed within the increasingly limited resources available to staff. Nonetheless, the committees will need to manage workload with care in order to balance the outcomes of committee work against the time and other resources required of both committee members and staff, given the existing demands on work2future

and a pattern of diminishing WIOA resources. It is recommended that committees meet no less than twice a year, but only as needed. Each should develop with staff an annual work plan focused on its purpose, with clear outcomes as goals.

/s/
Lawrence Thoo
Staff Liaison to the Board

Attached: Draft Amended By-Laws

cc: Monique Melchor, work2future Director
Jeff Ruster, Asst Director, Office of Economic Development

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To be approved on ~~December 10, 2015~~

The WORK2FUTURE BOARD hereby ~~creates~~ amends these By-laws.

RECITALS

- A. The State of California, pursuant to the Workforce Innovation and Opportunity Act (WIOA), hereinafter called the Act, has designated the San Jose Silicon Valley Workforce Development Area for the ~~operation of employment and training programs at the local level, and provides funding thereto~~ delivery of workforce services relevant to local residents and businesses.
- B. State rules and regulations, promulgated pursuant to the federal Act, provide for program activities and require the Mayor of San José, acting as the local Chief Elected Official (CEO) for the San Jose Silicon Valley Workforce Development Area, to appoint a Workforce Development Board.

ARTICLE I: ORGANIZATION

- 1.1 **Name:** The name of this body shall be WORK2FUTURE and shall be governed by the WORK2FUTURE Workforce Development Board of Directors, hereinafter referred to as WORK2FUTURE BOARD.
- 1.2 **Geographic Area:** The local area to be served by the WORK2FUTURE BOARD for purposes of the Workforce Innovation and Opportunity Act includes the municipalities of San José, Campbell, Gilroy, Morgan Hill, Los Altos Hills, ~~Gilroy~~, Los Gatos, Monte Sereno, Morgan Hill, and Saratoga, and ~~Monte Sereno~~, and the unincorporated areas of Santa Clara County, which ~~has~~ have been designated as the San Jose Silicon Valley Workforce Development Area pursuant to the provisions of Section 106 of WIOA.

ARTICLE II: PURPOSES

- 2.1 **Purpose:** WORK2FUTURE BOARD was formed for the following purposes:
 - A. As a strategic convener, promote and broker effective partnerships among businesses, educators, organizations and local elected officials, and develop a strategy to continuously improve and strengthen the workforce development system through innovation in, and alignment and improvement of, employment, training and education programs to promote economic growth.
 - B. Provide public policy guidance for, and exercise oversight with respect to, ~~Workforce Investment Act (WIA) and~~ WIOA activities within the workforce region, financed in whole or in part with funds from the U.S. Department of Labor, in partnership with the elected officials of the local workforce development area.

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ARTICLE III: MEMBERSHIP

- 3.1 In accordance with the Act and the criteria established by the California Workforce Development Board, this section sets forth the membership and structure of the WORK2FUTURE BOARD. Board members are appointed by the Mayor of San Jose, acting as the local CEO, who shall confer voting privileges to all appointed members. Each WORK2FUTURE BOARD member shall have one vote, and such voting may not be done by proxy.
- 3.2 The City of San José's Office of Economic Development (OED), work2future Division ("work2future"), will notify the local CEO when vacancies occur and provide nominations for WORK2FUTURE BOARD membership for consideration to the CEO, who shall review the nominations and appoint members to the WORK2FUTURE BOARD.
- 3.3 The local CEO and work2future will ensure that the membership and appointment of the WORK2FUTURE BOARD will conform to the requirements of Section 107(b)(2) of the Act, as further stipulated in California Unemployment Insurance Code Section 14202.
- 3.4 The term of membership for all WORK2FUTURE BOARD members shall be for four (4) years.
- 3.5 Term appointments shall be staggered to the extent possible to ensure that only a portion of the WORK2FUTURE BOARD membership expires in a given year.
- 3.6 ~~A. Business representatives. A majority of the WORK2FUTURE BOARD membership shall be representatives of business in the local area. The business representatives shall: (i) include owners of businesses, chief executives or operating officers of businesses, or other business executives, including human resources executives, or employers with optimum policymaking or hiring authority within the entities they represent; (ii) represent businesses, including small businesses, or organizations representing businesses that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the San José Silicon Valley Workforce Development Area; and (iii) be appointed from among individuals nominated by local business organizations and business trade associations. A majority of the members of the WORK2FUTURE BOARD shall be representatives of business in the local area, who:~~
- (1) Are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority.
- (2) Represent businesses, including small businesses, or organizations representing businesses described in this subdivision, that provide

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employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area.

- (3) Are appointed from among individuals nominated by local business organizations and business trade associations.

~~B. *Workforce representatives/Labor organizations.* Not less than 20% of the WORK2FUTURE BOARD's membership shall be representatives of the workforce within the San José Silicon Valley Workforce Development Area. (i) California Unemployment Insurance Code Section 14202(b) requires that at least 15% of the WORK2FUTURE BOARD's membership shall be representatives of labor organizations nominated by local labor federations and (ii) shall include a member of a labor organization or a training director from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of an apprenticeship program in the area, if such a program exists; (iii) shall include representatives of community-based organizations, including organizations representing individuals with disabilities and veterans, and organizations that serve populations with barriers to employment, such as the economically disadvantaged, youth, farmworkers, homeless, and immigrants; (iv) may include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.~~ B. Not less than 20 percent of the members of the WORK2FUTURE BOARD shall be representatives of the workforce within the San Jose Silicon Valley Workforce Development Area, who:

- (1) Shall include representatives of labor organizations, who have been nominated by local labor federations and these representatives shall amount to not less than 15 percent of board membership, and be subject to the following:
- (a) Shall include a representative, who shall be a member of a labor organization or a training director, from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of a state-approved apprenticeship program in the area, if such a program exists.
- (2) May include representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for individuals with disabilities.
- (3) May include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or

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education needs of eligible youth, including representatives of organizations that serve out-of-school youth.

C. ~~Entities administering education and training activities.~~ WIOA and California Unemployment Insurance Code Section 14202(c) requires that the WORK2FUTURE BOARD's membership shall include representatives of governmental and economic and community development entities serving the local area, who (i) shall include a representative of economic and community development entities; (ii) shall include an appropriate representative from the California Employment Development Department; (iii) shall include an appropriate representative of programs carried out under title I of the Rehabilitation Act of 1973; and (iv) may include representatives of philanthropic organizations serving the local area. C. The WORK2FUTURE BOARD shall include representatives of entities administering education and training activities in the local area, who:

- (1) Shall include a representative of eligible providers administering adult education and literacy activities under Title II of the Workforce Innovation and Opportunity Act.
- (2) Shall include a representative of institutions of higher education providing workforce investment activities, including community colleges.
- (3) May include representatives of local educational agencies, and of community-based organizations with demonstrated experience and expertise in addressing the education or training needs of individuals with barriers to employment.

D. ~~Other entities.~~ D. The WORK2FUTURE BOARD shall include representatives of governmental and economic and community development entities serving the local area, who:

- (1) Shall include a representative of economic and community development entities.
- (2) Shall include an appropriate representative from the state employment service office under the Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.) serving the local area.
- (3) Shall include an appropriate representative of the programs carried out under Title I of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 720 et seq.), other than Section 112 or Part C of that Title (29 U.S.C. Sec. 732, 741), serving the local area.
- (4) May include representatives of philanthropic organizations serving the local area.

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E. The WORK2FUTURE BOARD may include such other individuals or representatives of entities as the local CEO may determine to be appropriate.

3.7 The WORK2FUTURE BOARD shall be kept to the smallest number possible by having members represent more than one category such that the membership is still consistent with the membership requirements established by the Act, and as modified by any amendments, reauthorizations of the Act, and/or final rules, regulations and policy guidance letters.

A. WORK2FUTURE BOARD members are responsible for notifying the WORK2FUTURE BOARD upon change of status, which could lead to lack of representation as identified in these By-laws. Upon such notice, the WORK2FUTURE BOARD shall determine if the member may continue. Members whose status changes may remain on the WORK2FUTURE BOARD pending recruitment and replacement.

B. WORK2FUTURE BOARD members may resign upon written notice to the Secretary of the WORK2FUTURE BOARD.

C. An official membership list, attendance materials, records of the actions of the WORK2FUTURE BOARD, and a detailed statement on the composition, structure, membership, and nomination process for the WORK2FUTURE BOARD shall be maintained by the WORK2FUTURE BOARD.

D. WORK2FUTURE BOARD members may be removed for cause or because of absence. Cause shall be defined as determination by the WORK2FUTURE BOARD that the member is unsuitable to serve on the WORK2FUTURE BOARD. Such a determination may be made based on a WORK2FUTURE BOARD member's violation of the Brown Act, the City's Code of Ethics for members of boards, committees and commissions, non-disclosure of a conflict of interest, or similar misconduct.

E. WORK2FUTURE BOARD members may be removed from membership on the WORK2FUTURE BOARD for cause if the member is absent from two (2) consecutive regular meetings of the WORK2FUTURE BOARD during their term of service.

F. Members may be removed for cause by a two-thirds vote of the full WORK2FUTURE BOARD members in attendance at any regular meeting providing that a quorum of the WORK2FUTURE BOARD is present.

ARTICLE IV: OFFICERS AND THEIR ELECTION

4.1 Chair

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- A. The WORK2FUTURE BOARD shall elect one (1) member as Chairperson.
- B. The term of office for the Chairperson shall be two (2) years.
- C. The Chairperson shall be a business representative.
- D. The Chairperson shall preside over all regular meetings and special meetings.
- E. The Chairperson shall be an ex-officio member of all committees.

4.2 Vice-Chair

- A. The WORK2FUTURE BOARD shall elect one (1) member as Vice-Chairperson.
- B. The term of office for the Vice-Chair shall be two (2) years.
- C. The Vice-Chair shall be a business representative.
- D. In the absence of the Chair, the Vice-Chair shall act as Chair pro tem to serve as presiding officer of that meeting.

- 4.3 In the absence of the Chair and the Vice-Chair, the WORK2FUTURE BOARD shall, at the beginning of its meeting, designate by majority vote, a Chairperson pro tem to serve as presiding officer of that meeting. Such a Chairperson pro tem must be a business representative.

- 4.4 The work2future Director shall serve as Secretary of the WORK2FUTURE BOARD.

ARTICLE V: MEETINGS AND QUORUMS

- 5.1 The WORK2FUTURE BOARD shall meet not less than three (3) times annually. WORK2FUTURE BOARD members may participate in WORK2FUTURE BOARD or committee meetings through teleconferencing or videoconferencing, at the discretion of the Chair, to the extent such participation is allowable by state law and policy.
- 5.2 The WORK2FUTURE BOARD shall hold an annual organizational meeting in each fiscal year. The WORK2FUTURE BOARD shall, at its annual organizational meeting, adopt a schedule of meetings and post that schedule on its website (www.work2future.biz) to inform its members, the CEO, the seven partnering municipalities, and the public.

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- 5.3 The WORK2FUTURE BOARD Chair may call special meetings of the WORK2FUTURE BOARD.
- 5.4 All meetings of the WORK2FUTURE BOARD shall be conducted and notified in conformance with the Ralph M. Brown Act, California Government Code Section 54960, et. seq. as amended, and the City of San José's Consolidated Open Government and Ethics Resolution, as amended.
- 5.5 Information regarding meetings of the WORK2FUTURE BOARD will be available to WORK2FUTURE BOARD members and the public on work2future's website.
- 5.6 A simple quorum shall consist of fifty percent (50%), plus one (1), of the authorized WORK2FUTURE BOARD members present who must be present in person to effect a quorum. Authorized WORK2FUTURE BOARD members shall be defined as those members currently in office, exclusive of vacancies. A quorum of the WORK2FUTURE BOARD, once attained in meeting, shall be considered as retained throughout the meeting.
- 5.7 Action may be taken by a simple majority of those present and voting, provided that a quorum is present. When a quorum is established and less than ten (10) members remain, a minimum of six (6) votes to take action are required.
- 5.8 WORK2FUTURE BOARD meetings shall be governed by Robert's Rules of Order, Newly Revised, in all cases to which they are applicable and to the extent in which they are not inconsistent with, or in conflict with, these By-laws.

ARTICLE VI: COMMITTEES

- 6.1 *Standing Committees.* Standing committees shall include other individuals appointed by the WORK2FUTURE BOARD who are not members of the WORK2FUTURE BOARD and who the WORK2FUTURE BOARD determines have appropriate experience and expertise. The WORK2FUTURE BOARD shall have ~~four~~ two (42) standing committees:
 - a. ~~The Executive Committee~~
 - b. ~~The Youth Business Services Committee~~
 - c. ~~The Finance and Performance Committee~~
 - d. ~~The Private Employer Council Committee~~

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- 6.2 Executive Committee Composition — The Executive Committee shall be comprised of the WORK2FUTURE BOARD Chair, the WORK2FUTURE BOARD Vice-Chair, the chairs of the other ~~three~~ standing committees, a sufficient number of members elected at large to ensure that the committee has seven members, and the work2future Executive Director acting as a non-voting, ex officio member.
- 6.3 ~~Youth Committee~~ Terms of the at-large members of the Executive Committee are two years and they shall be staggered to ensure that only a portion of the at-large membership expires in a given year. To achieve staggered terms, a portion of at-large members shall be elected to one-year terms only in the first election after adoption of these amended By-laws. At-large members shall serve a maximum of two consecutive two-year terms.
- 6.4 ~~Youth Committee Composition~~ — The Youth Committee shall be comprised of all official WORK2FUTURE BOARD Youth Committee Members, plus WORK2FUTURE BOARD members appointed by the Chair, and may include private sector representatives and other representatives of community-based organizations who are not formal members of the WORK2FUTURE BOARD but who have a record of success in serving youth. Executive Committee Authority — The Executive Committee shall have the authority to act on behalf of the WORK2FUTURE BOARD when time is of the essence to (1) accept grant awards, (2) approve contracts and associated funding, (3) approve Memoranda of Understanding, and (4) approve the Local Plan and Regional Plan. Any such actions taken by the Executive Committee shall be reported as discussion items at the next regular meeting of the WORK2FUTURE BOARD.
- 6.5 In addition to such other duties as it may undertake, the Executive Committee shall develop and track the budget, and oversee fiscal compliance and work2future performance with respect to state and federal WIOA performance goals.
- 6.6 ~~Youth Committee Chair~~ — see section 6.10. ~~Duties~~ — The duties of the Youth Committee shall be to provide information and to assist with planning, operational, oversight, and other issues relating to the provision of services to youth in the local area, as described in the Code of Federal Regulations, Title 20, Section 681.120.
- 6.6 ~~Finance and Performance Committee~~ — The Finance and Performance Committee shall develop and track the budget, and oversee fiscal compliance and work2future's performance to Department of Labor goals. Business Services Committee — California Unemployment Insurance Code Section 14200(c)(9)(C) requires that the WORK2FUTURE BOARD establish a business services committee.

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- 6.7 ~~Finance and Performance Committee Composition — The Finance and Performance Committee shall be comprised of interested WORK2FUTURE BOARD members, appointed by the Chair.~~Business Services Committee Composition — The Business Services Committee shall be comprised of Board members who represent the leading industries and employers in the regional economy and potential emerging sectors that have significant potential to contribute to job growth in the regional economy if investments were made for training and educational programs, as well as business executives who are not members of the Board but, nonetheless, represent the kinds of employers described above. The Chair shall appoint Board members to the Committee and the Executive Committee shall elect Committee members who are not on the Board.
- 6.8 ~~Private Employer Business Council Committee — California Unemployment Insurance Code Section 14200(c)(9)(C) requires that the WORK2FUTURE BOARD establish a business services committee that further develops and makes recommendations for the Business Service Plan to the WORK2FUTURE BOARD in an effort to increase employer involvement in the activities of the WORK2FUTURE BOARD. The WORK2FUTURE BOARD's Private Employer Business Council Committee was established in 2012 to meet the requirements of California Unemployment Insurance Code Section 14200(c)(9)(C).~~Business Services Committee Duties — The Business Services Committee shall further develop and make recommendations for work2future's business service plan to increase employer involvement in the activities of work2future.
- 6.9 ~~Private Employer Business Council Committee Composition — The Private Employer Business Council Committee shall be comprised of business representative WORK2FUTURE BOARD members representing leading industries and employers, as well as those WORK2FUTURE BOARD members representing potential emerging sectors with significant potential to contribute to job growth.~~
- 6.10 ~~Committee Chairs — The WORK2FUTURE BOARD Chair shall act as Chair of the Executive Committee, the WORK2FUTURE BOARD Vice Chair as Chair of the Executive Committee in his/her absence, and an Executive Committee Member elected by said committee shall act as Chair of the Executive Committee in the event the Chair and the Vice Chair are absent.~~
- 6.11 ~~Chair Appointments - Each committee, except the Executive Committee, will choose its own chairs with the approval of the Board Chair. The Chair of the Youth Committee must be a full WORK2FUTURE BOARD member.~~
- 6.12 ~~Ad Hoc Committees — The Chair may appoint ad hoc committees at his/her discretion. The creation of said committees shall be reported to the full Board.~~

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- 6.13 Ad Hoc Committee Composition – Ad Hoc Committees may only have as voting members full members of the WORK2FUTURE BOARD. Non-WORK2FUTURE BOARD members may be asked to participate as non-voting members.
- 6.14 All Standing Committee meetings shall be subject to the provisions of the Ralph M. Brown Act and the City of San José’s Consolidated Open Government and Ethics Resolution.
- 6.15 Information regarding meetings of Standing Committees will be made available to WORK2FUTURE BOARD members and the public on work2future’s website.
- 6.16 Except as stipulated in Article 6.4, All actions of the WORK2FUTURE BOARD Standing Committees are advisory to the WORK2FUTURE BOARD unless the WORK2FUTURE BOARD delegates the authority to act on behalf of the WORK2FUTURE BOARD.

ARTICLE VII: CONFLICT OF INTEREST

- 7.1 No WORK2FUTURE BOARD member shall engage in any activity, including participation in the selection, award, or administration of a subgrant or contract supported by WORK2FUTURE BOARD funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the individual, member of the individual’s immediate family, the individual’s business partner or an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm or organization selected for the award. The officers, employees, or agents of any agency making the award will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. WORK2FUTURE BOARD members shall not participate in financial matters before the WORK2FUTURE BOARD that pertain to organizations that they represent.

A member of a local board, or a member of a standing committee, may not vote on a matter under consideration by the local board regarding the provision of services by such member (or by an entity that such member represents); or that would provide direct financial benefit to such member or the immediate family of such member; or engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State plan.

Neither membership on the WORK2FUTURE BOARD, nor the receipt of Act funds to provide training and related services shall be construed, by themselves, to violate the provision of this section.

- 7.2 WORK2FUTURE BOARD members shall avoid organizational and operational conflict of interest, and they and their personnel, employees, or agents shall avoid personal conflict of interest and appearance of conflict of interest in

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awarding financial assistance, and in the conduct of procurement activities involving funds under the Act.

- 7.3 Members of the WORK2FUTURE BOARD shall comply with the intent of the California Administrative Code, title 2, section 18730 and any amendments duly adopted by the Fair Political Practices Commission.
- 7.4 WORK2FUTURE BOARD members are required to complete two hours of training in ethics principles and laws (AB1234 Ethics Training) and two hours in sexual harassment and discrimination prevention (AB 1661 Sexual Harassment and Discrimination Prevention Training) every two years.

ARTICLE VIII: REQUIRED DISCLOSURES

- 8.1 Prior to taking any action relating to an existing or potential work2future contract, a WORK2FUTURE BOARD member must disclose all communication between the WORK2FUTURE BOARD member and the interested contractor or contractor representative(s) regarding the action. The disclosure shall be made orally at the meeting, prior to the discussion of the action on the meeting agenda, and must identify the substance of the communication.
- 8.2 WORK2FUTURE BOARD members must file an annual Statement of Economic Interests (Form 700) by April 1 of each year, within 30 days of assuming office, and within 30 days of leaving office with the San José City Clerk.

ARTICLE IX: AMENDMENTS

- 9.1 Amendments to these By-laws must be approved by a fifty percent plus one (50% + 1) affirmative vote of the full WORK2FUTURE BOARD membership, at any regular meeting of the WORK2FUTURE BOARD, provided, however, that the amendments proposed have been submitted in writing at the previous regular meeting or included in the call to the meeting. Amendments to the By-laws shall be reviewed and approved by Counsel prior to the WORK2FUTURE BOARD's consideration and approval. Amendments proposed to these By-laws must be received by the WORK2FUTURE BOARD membership no less than seven (-7-) working days prior to their consideration.

ARTICLE X: EFFECT

- 10.1 These By-laws shall become effective immediately upon adoption by a majority vote of the WORK2FUTURE BOARD, and shall remain in effect, as amended per section 9.00 above, or until dissolution of the WORK2FUTURE BOARD.

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- 10.2 In any conflict arising between the provision of the Act, applicable State law, or other implementing regulations, the legal provisions of law and regulations shall prevail, except as By-laws represent allowable discretion by the WORK2FUTURE BOARD in interpretation and implementation of law and regulation.

Adopted as amended by the WORK2FUTURE BOARD on ~~December 10, 2015~~
November 21, 2019.

Joseph Flynn, Board Chair

~~Sima Yazdani~~ Susan Koepp-Baker, Board Vice-Chair

~~Christopher Donnelly~~ Monique Melchor, Board Secretary

v.

Adjournment