



WORKFORCE DEVELOPMENT BOARD MEETING

Thursday, June 26, 2025, 9:30 am

**San Jose Job Center Conference Rooms
1608 Las Plumas Avenue, San Jose**

www.work2future.org

This meeting can also be viewed live on computer, smartphone, and tablet at
<https://sanjoseca.zoom.us/j/99797528238?pwd=eT5Bo7SIH0Udc48aD0ebC8vsRJljbA.1>

PUBLIC COMMENT

To provide spoken Public Comment *during* the meeting, please be present at the meeting location above. Complete an available Blue Card and provide it to a meeting staff person.

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

To submit written Public Comment *before* the committee meeting: Send by e-mail to Lawrence.Thoo@sanjoseca.gov by 8:00 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 JenniferL.Hernandez@sanjoseca.gov, identifying the Agenda Item Number in the e-mail subject line. Comments received will be included as a part of the meeting record but will not be read into the record.

LEVINE ACT

[The Levine Act](#) requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than \$500 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution on the form located on [the Levine Act webpage](#).

WORKFORCE DEVELOPMENT BOARD MEMBERS

June 2025

Board Chair

Priya Smith, MPH*^

Chief Employee Human Resources Officer
 The Permanente Medical Group, Inc.
 Kaiser Permanente Northern California

Board Vice Chair

Alan Takahashi*^

Senior Vice President and General Manager
 Missile Systems
 CAES

1. **Louise Auerhahn**
 Director of Economic & Workforce Policy
 Working Partnerships USA
2. **Rajiv Batra**
 Head of Legal & Compliance
 Arc
3. **George Chao^**
 Director of Strategic Partnerships
 Manex
4. **Denise Dorsey**
 Regional Director, San Jose District
 Department of Rehabilitation, State of California
5. **John (Jack) Estill, Youth Committee Chair***
 Partner
 Coactify
6. **Joseph A. Flynn**
 Vice President of Software Transformation
 CommScope
7. **Michael Hill, Business Services Committee Chair*^**
 Senior Director, Talent & Organizational
 Development
 Applied Materials (*retired April 2025*)
8. **Van T. Le***
 Agent
 State Farm Insurance
 Trustee and Clerk of the Board
 East Side Union High School District
9. **Maria Lucero**
 Deputy Division Chief, Region I
 Northern Division, Workforce Services Branch
 Employment Development Department, State of
 California
10. **Daniel Mangan***
 Local 483 Organizer
 Sprinkler Fitters UA Local 483

11. **Brian N. Murphy**
 Director of Training
 Pipe Trades Training Center
 UA Local 393
12. **Teresa Ong~**
 Associate Vice President
 Workforce & CTE Programs
 Foothill College
13. **Rafaela Perez~**
 Employment Services Director (retired Dec 31,
 2024)
 Social Services Agency
 County of Santa Clara
14. **Steve Preminger~**
 Director, Civic and Community Engagement
 County of Santa Clara
15. **Mitesh Shah^**
 Vice-President and Business Unit Head
 Tech Mahindra
16. **Traci Williams*~**
 Co-chair
 South Bay Consortium for Adult Education
 Director
 East Side Adult Education

Ex officio

Sangeeta Durrall, Secretary
 work2future Director

*Executive Committee member
 ^Business Services Committee member
 ~Youth Committee member

WORKFORCE DEVELOPMENT BOARD

June 26, 2025

9:30 am

San Jose Job Center Conference Rooms
1608 Las Plumas Avenue, San Jose

Online at

<https://sanjoseca.zoom.us/j/99797528238?pwd=eT5Bo7SIH0Udc48aD0ebC8vsRlJlba.1>

AGENDA

- | | | |
|-------------|---|---------------------|
| I. | CALL TO ORDER & ROLL CALL | <i>5 min</i> |
| | | <i>9:35 am end</i> |
| II. | CONSENT ITEMS {ACTION} | <i>5 min</i> |
| | Approval of the acceptance of: | <i>9:40 am end</i> |
| | A. Minutes of the March 20, 2025, Board meeting | |
| | B. Financial Status Report as of April 30, 2025 | |
| | C. Labor Market Update | |
| III. | OPEN FORUM | <i>5 min</i> |
| | Members of the public can address the committee on matters not on the agenda. Comment is limited to two minutes unless modified by the Chair. | <i>9:45 am end</i> |
| IV. | BUSINESS ITEMS | |
| | A. Chair's Report {Information} | <i>5 min</i> |
| | <i>Alan Takahashi, Board Vice-Chair</i> | <i>9:50 am end</i> |
| | Introductions, if any, and reports on matters of interest. | |
| | B. Director's Report {Information} | <i>5 min</i> |
| | <i>Sangeeta Durrall, work2future Director</i> | <i>9:55 am end</i> |
| | Reports on matters of interest. | |
| | C. FY2025-26 WIOA Program Operating Budget (ACTION) | <i>20 min</i> |
| | <i>Sangeeta Durrall, work2future Director</i> | <i>10:15 am end</i> |
| | Recommend Board approval of proposed WIOA program operating budget for Fiscal Year (FY) 2025-26, including: | |
| | 1. WIOA Program Operating Budget of \$8,256,271 | |
| | 2. WIOA Administrative Budget in the amount of \$882,710 | |
| | 3. Proposed WIOA estimated Rapid Response Funding of \$823,546, which includes \$107,528 of FY2024-25 carryover. | |
| | 4. Authorization for staff to transfer funds as follows without additional Board approval, but with notification after the fact to the Executive Committee of any such transfers at the Committee's next available meeting: | |

- a) Between budget line items, if there is no change to the overall amount of the WIOA budget.
- b) Between the Adult and Dislocated Worker Programs, as needed to accommodate changes in the numbers of clients served by the two programs, if the total of the combined budgets is not changed.

D. Youth Committee Chair's Report {Information}

5 min

Jack Estill, Youth Committee Chairperson

10:20 am end

Report on committee-related activity.

E. Business Services Committee Chair's Report {DEFER}

Michael Hill, Business Services Committee Chairperson

Report on committee-related activity.

F. Staff Reports {Information}

25 min

1. WIOA Adult, Dislocated Worker and Youth Programs

10:45 am end

Deanna Walter, Project Manager, Adult & Dislocated Worker Programs; Mirza Handzar, Youth & Training Project Manager

2. 2025 San José Works Program

Ruby Carrasco, San José Works Program Manager

3. Pathway to Self-Sufficiency Pilot Initiative

Lawrence Thoo, Strategic Engagement Manager

V. OTHER

5 min

Announcements, suggested business for future meetings, other housekeeping.

10:50 am end

VI. ADJOURNMENT

The next meeting of the work2future Board is scheduled for September 18, 2025.

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, their 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: § No objects will be larger than 2 feet by 3 feet.
 - i. No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
 - ii. The items cannot create a building maintenance problem or a fire or safety hazard.
 - iii. 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.
- b. 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 discussion item and/or during open forum; the total amount of time allocated for public testimony for each public speaker or for an agenda item is in the discretion of the Chair of the meeting and may be limited when appropriate. (California Government Code Section 54954.3; Council Policy 0-37) Applicants and appellants in land use matters are usually given more time to speak. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Council, Committee, Board or Commission.
- c. Speakers should discuss only the agenda item when called to speak for that item, and only topics related to City business when called to speak during open forum on the agenda.
- 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.

I

Call to Order & Roll Call

II

Consent Items

Approve/Accept the following:

- A. Minutes of the March 20, 2025, Board meeting
- B. Financial Status Report as of April 30, 2025
- C. Labor Market Update

Note: Consent items are acted on as a group without discussion. If a Board member wishes to ask questions or discuss any of the items, s/he should ask for it to be taken out of Consent before a motion is made or there is a vote. The selected item can then be discussed and acted on separately.

{ACTION}

WORKFORCE DEVELOPMENT BOARD
March 20, 2025
San Jose Job Center, 1608 Las Plumas Ave, San Jose
MINUTES

Staff: Carrasco, Durrall, Handzar, D. Luu, T. Luu, Thoo, Walter

Guests: Shevata Kumar, Associate Deputy City Attorney, City of San Jose; Council Member Peter Ortiz, City of San Jose Council Liaison

I. CALL TO ORDER & ROLL CALL

The hybrid meeting was called to order at 9:33 am by Chairperson Priya Smith.

Roll Call

Present: Benavidez, Hill, Le, Lucero, Mangan, Ong, Perez, Preminger, Smith, Takahashi, Williams

Delayed: Auerhahn (arrived 9:39 am), Dorsey (arrived 9:38 am)

Absent: Batra, Chao, Estill, Flynn, Murphy, Shah

II. CONSENT ITEMS

ACTION: Mr. Preminger moved, Ms. Le seconded, and the Board voted unanimously to accept:

A. Minutes of the December 12, 2025, Board meeting

B. Financial Status Report as of January 31, 2025

C. Youth Committee Chair's Report

III. OPEN FORUM

Ms. Smith opened the floor for public comment. Lilian Koenig, spoke on youth and inquired on their options when they leave school and begin looking for a job. Ms. Smith and Mr. Preminger addressed her comments.

IV. BUSINESS ITEMS

A. Chair's Report

Ms. Smith introduced new board member Denise Dorsey of the Department of Rehabilitation, and Council Liaison Peter Ortiz. She provided updates on matters of interest, including the Executive Committee's appointment of Jennifer Pham and reappointment of Maria Vance to the Youth Committee. She also announced that Agenda Item IV.G would be taken out of sequence.

B. Director's Report

work2future Director Durrall reported on the state of efforts in the U.S. Congress to reauthorize the Workforce Innovation and Opportunity Act (WIOA). She previewed business on the agenda, including pilot partnerships in co-case management, the Local Plan, the Request for Proposals, and that the agency is on track to meet goals during the third quarter.

C. PY25-PY28 WIOA Regional Plan & Local Plan

Strategic Engagement Manager Thoo and Contracts Manager Luu, presented for approval the proposed PY 2025 through PY 2028 WIOA Regional Plan for the Bay-Peninsula Regional Planning Unit and the WIOA Local Plan for work2future.

ACTION: Ms. Perez moved, Mr. Hill seconded, and the Board voted unanimously to approve the proposed PY 2025 through PY 2028 WIOA Regional Plan and the WIOA Local Plan.

D. Preliminary Scenarios for the Workforce Development Board (WDB) FY 2026 Program Operating Budget

Senior Accountant Luu presented the staff's three preliminary Fiscal Year 2025-26 budget scenarios, as follows: a) FY 2025-26 WDB Program Operating Budget based on a projected WIOA allocation of \$6.17 million (As is, i.e., allocation unchanged from FY 2025), b) FY 2025-26 WDB Program Operating Budget based on a projected WIOA allocation of \$5.86 million (allocation reduced 5% from FY 2025), c) FY 2025-26 WDB Program Operating Budget based on a projected WIOA allocation of \$5.56 million (allocation reduced 10% from FY 2025).

ACTION: Ms. Lucero moved, Ms. Auerhahn seconded, and the Board voted unanimously to accept staff's preliminary scenarios for the Workforce Development Board (WDB) FY 2026 Program Operating Budget.

E. FY 2026–FY 2030 WIOA Service Provider Procurement

Mr. Luu presented to the board for approval, authorization for staff to negotiate and execute a one-year agreement for Fiscal Year 2025-26, with contract extensions of up to four additional years based on successful performance and funding availability, with Equus Workforce Solutions as the WIOA Service Provider for the Adult/Dislocated Worker, In-School Youth, and Out-of-School Youth Programs.

ACTION: Mr. Preminger moved, Mr. Hill seconded, and the Board voted unanimously to approve the FY 2026–FY 2030 WIOA Service Provider Procurement.

F. Business Services Committee Chair's Report

Mr. Hill, Business Services Committee Chair reported out on matters related to business services. Highlighting Job Fairs, apprenticeships, lay-offs, and the Healthcare sector partnership.

G. Staff Reports:

(Taken out of Sequence)

A) Youth & Training Project Manager Handzar provided updates on the Youth Program, highlighting 188 new enrollments, active partnerships, and a client success story. Adult and Dislocated Worker Programs Project Manager Walter shared updates on the programs, reporting 705 new enrollments, key training statistics and also shared a client success story. Both presenters responded to questions from the Board.

B) San José Works Program Manager Carrasco reported on the 2025 San José Works Program, marking the conclusion of its 10th and most successful year. Highlights included a 93% retention rate, key demographic data, and a client success story. Answering questions from the board.

C) Mr. Thoo provided an update on the Pathway to Self-Sufficiency Initiative, which launched

in October 2024. The program currently has 24 individuals enrolled, with 14 placed in subsidized employment. Mr. Thoo also addressed questions from the board.

H. Open Government, Conflict of Interest and Training Requirements

Associate Deputy City Attorney Kumar presented the annual refresher on board and committee members' obligations under the state law, the City of San Jose Municipal code, and others.

V. OTHER

Ms. Smith opened the floor for announcements. Mr. Preminger suggested a more in-depth report on apprenticeships and manufacturing at a future meeting and gave a shout-out to Ms. Auerhahn for her work in developing the Trades Orientation Program. Mr. Thoo reminded the board about the requirement to submit Form 700. No additional comments were noted.

VI. ADJOURNMENT

Meeting adjourned at 11:27 am.

Draft: J. Hernandez; Review: L Thoo

FINANCIAL STATUS REPORT AS OF APRIL 30, 2025

Key Highlights

- WIOA FY23-24 formula (carry-over amount of \$2,852,348) is projected to be fully spent by June 30, 2025.

Other Discretionary Funding

- work2future received an allocation from the City's General Fund of \$1,824,217 for San Jose Works 10.0 program, in addition to the carry over funding of \$1,093,691 from FY 2023-24, a total funding of \$2,917,918 is available for FY 2024-25. As of April 30, 2025, \$1,491,750 has been expended. Besides recruitment, placement and onboarding services, youth participants also have access to career counseling, supportive services (e.g., bus passes), and entrepreneurship training. Workshops provided included communication etiquette, anti-sexual harassment, anti-discrimination, emotional intelligence, and job readiness.
- Cities for Financial Empowerment (CFE) pledged to provide work2future \$50,000 to support a Summer Jobs Connect Program. This will provide banking access and financial empowerment training to participants in municipal Summer Youth Employment Programs. A portion of the grant will also be used to support the participant wages for the San Jose Works internship program. As of January 31, 2025, \$7,500 of the grant has been expended.
- work2future foundation awarded us \$393,000 of grants and contributions from various sources to support the San Jose Works Program. Below is the list of the funding sources and amounts.

Funding Source	Sponsorship/Contributions	Sub grants
Bank of America		\$153,000
Wells Fargo	\$113,750	
Amazon	\$100,000	
Flagship	\$5,000	
Shipt	\$21,250	

- Google's Downtown West Mixed-Use Plan approved by the City Council on May 25, 2021, includes a Development Agreement citing a total of \$200 million Community Benefits Payment that will be used for investments that go beyond the City's baseline requirements to address the community's top priorities. The City of San Jose has then received \$4.5 million early payment which are allocated to various programs. Out of the \$4.5 million funding, work2future was allocated \$625,000 for paid work experience and occupational skills training program. An "Earn and Learn" approach has been implemented in this program with a focus on high growth, high wage careers in advanced manufacturing, information technology, health care, or construction and trades. As of April 30, 2025, \$343,767 has been expended. Additionally, \$600,000 was allocated to work2future to provide subsidies for participants of workforce development programs to cover childcare costs required for their participation in the program.
- work2future received a donation of \$1,000 from Gilroy Foundation. This fund will be used for the recruitment service in the South side.

##

WORK2FUTURE
FINANCIAL STATUS REPORT AS OF 4/30/2025

WIOA FORMULA FUNDS	Adult Appn 2505	Dislocated Worker Appn 2530	Youth Appn 2364	RR Appn 2983	TOTAL WIOA FUNDS
I. FUND BALANCE AS OF 6/30/24					
ALLOCATION FOR FY2023/2024 PD 14 Stat 3	2,679,440	1,720,374	2,040,659	434,643	6,875,116
<i>Less: Actual Expenditures as of 6/30/24</i>	<i>(1,652,892)</i>	<i>(935,169)</i>	<i>(1,000,065)</i>	<i>(434,643)</i>	<i>(4,022,768)</i>
<i>Less: Encumbrances/Spending Plan as of 6/30/24</i>	<i>(181,294)</i>	<i>(94,423)</i>	<i>(412,763)</i>	<i>0</i>	<i>(688,480)</i>
Total Actual Expenditures (with Encumbrances) as of 6/30/24	(1,834,186)	(1,029,591)	(1,412,828)	(434,643)	(4,711,248)
Remaining Funds as of 6/30/24 (\$) - Allocation minus (Actuals + Encumbrances)	845,254	690,783	627,831	0	2,163,868
Remaining Funds as of 6/30/24 (%)	32%	40%	31%	0%	31%
II. Actual Expenditures/Encumbrances (Funded with balance from FY23/24)					
(a) Remaining Funds for FY23/24 (exclude encumbrances)	1,026,548	785,205	1,040,594	0	2,852,348
Transfer between Adult and Dislocated Worker		0	0	0	0
Rescission				0	0
<i>Less: Actual Expenditures as of 4/30/2025</i>	<i>(1,026,548)</i>	<i>(785,205)</i>	<i>(1,003,791)</i>	<i>0</i>	<i>(2,815,544)</i>
<i>Less: Actual Encumbrances as of 4/30/2025</i>				<i>0</i>	<i>0</i>
Total Actual Expenditures/Encumbrances as of 4/30/2025	(1,026,548)	(785,205)	(1,003,791)	0	(2,815,544)
Projected Remaining Funds (\$) from FY23/24 Allocation	0	0	36,803	0	36,803
Projected Remaining Funds (%)	0%	0%	4%	0%	1%
(b) ALLOCATION FOR FY2024/2025	1,929,234	2,258,676	1,984,670	753,703	6,926,283
Additional Funding	0		0	0	0
Transfer between Adult and Dislocated Worker	0	0	0	0	0
Rescission	0	0	0	0	0
Adjusted Allocation for FY 2024-2025	1,929,234	2,258,676	1,984,670	753,703	6,926,283
<i>Less: Actual Expenditures as of 4/30/2025</i>	<i>(1,107,103)</i>	<i>(553,812)</i>	<i>(556,727)</i>	<i>(503,472)</i>	<i>(2,721,114)</i>
<i>Less: Actual Encumbrances as of 4/30/2025</i>	<i>(280,075)</i>	<i>(164,997)</i>	<i>(851,156)</i>		<i>(1,296,228)</i>
Total Actual Expenditures/Encumbrances as of 4/30/2025	(1,387,178)	(718,808)	(1,407,883)	(503,472)	(4,017,342)
Projected Remaining Funds (\$) from FY24/25 Allocation	542,056	1,539,868	576,787	250,231	2,908,941
Projected Remaining Funds (%)	28%	68%	29%	33%	42%
FISCAL YEAR 23/24 & FY24/25:					
Total Available Funds (FY23/24 balance + FY24/25 Adjusted Allocation)	2,955,782	3,043,881	3,025,264	753,703	9,778,631
Less: Total Cumulative Expenditures/Encumbrance as of 04/30/2025	<i>(2,413,726)</i>	<i>(1,504,014)</i>	<i>(2,411,674)</i>	<i>(503,472)</i>	<i>(6,832,886)</i>
REMAINING FUNDS (\$)	542,056	1,539,868	613,590	250,231	2,945,745
REMAINING FUNDS (%)	18%	51%	20%	33%	30%
III. Projected Expenditures/Carry Over through June 30, 2025					
<i>Projected Expenditures through 6/30/25</i>	<i>(1,426,831)</i>	<i>(1,706,857)</i>	<i>(1,439,749)</i>	<i>(646,175)</i>	<i>(5,219,612)</i>
<i>Projected Carry Over through June 2025 (\$)</i>	<i>502,403</i>	<i>551,819</i>	<i>581,725</i>	<i>107,528</i>	<i>1,743,474</i>
<i>Projected Carry Over through June 2025 (%) with Rapid Response</i>	<i>26%</i>	<i>24%</i>	<i>29%</i>	<i>14%</i>	<i>25%</i>

BOARD: 06-26-25
AGENDA ITEM : II.B
Attachment 2 of 5

[illegible]

**WORK2FUTURE
FINANCIAL STATUS REPORT AS OF 4/30/2025**

Other Funds	Google	Google	Total
	Goodwill	Child Care	Total
I. Actual as of June 30, 2024	APPN 222A	APPN 222A	
Grant Period	N/A	N/A	
Original Allocation/Available Funds for FY23-24	625,000	600,000	1,225,000
<i>Less: Expenditure/Encumbrances as of 6/30/24</i>	<i>(343,767)</i>	<i>0</i>	<i>(343,767)</i>
<i>Less: Encumbrance</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Total Actual Expenditures/Encumbrances as of June 2024</i>	<i>(343,767)</i>	<i>0</i>	<i>(343,767)</i>
Available Funds for FY 2023-2024	281,233	600,000	881,233
% Remaining	45%	100%	72%
II. Actual Expenditures/Encumbrances			
Available Funds for FY 2024-2025	281,233	600,000	881,233
<i>Less: Expenditures as of 4/30/2025</i>		<i>0</i>	<i>0</i>
<i>Less: Encumbrances as of 4/30/2025</i>		<i>0</i>	<i>0</i>
Cumulative Expenditures as of 6/30/25	<i>0</i>	<i>0</i>	<i>0</i>
\$ Remaining	281,233	600,000	881,233
% Remaining	100%	100%	100%

**WORK2FUTURE
FINANCIAL STATUS REPORT AS OF 4/30/2025**

Other Funds					
	HVAC Technician Green Technology	Pathway to Self Sufficiency	Workforce Development Service Enhancement	Gilroy Foundations	Emerging Needs Local Assistance Funds
I. Actual as of June 30, 2024	APPN 225K	APPN 229C	APPN 226S	APPN 230V	APPN 217I
Grant Period					N/A
Original Allocation/Available Funds for FY23-24	100,000	2,700,000	120,000	0	5,000
<i>Less: Expenditure/Encumbrances as of 6/30/24</i>	<i>0</i>	<i>0</i>	<i>(47,220)</i>	<i>0</i>	<i>0</i>
<i>Less: Encumbrance</i>	<i>0</i>	<i>0</i>	<i>(52,780)</i>	<i>0</i>	<i>0</i>
<i>Total Actual Expenditures/Encumbrances as of 6/30/24</i>	<i>0</i>	<i>0</i>	<i>(100,000)</i>	<i>0</i>	<i>0</i>
Available Funds for FY 2023-2024	100,000	2,700,000	20,000	0	5,000
% Remaining	<i>100%</i>	<i>100%</i>	<i>0%</i>	<i>0%</i>	<i>100%</i>
II. Actual Expenditures/Encumbrances					
Available Funds for FY 2024-2025	100,000	2,700,000	72,780	1,000	5,000
Adjustments	0	249,157	0		<i>0</i>
Total Available Funds	100,000	2,949,157	72,780	1,000	<i>5,000</i>
<i>Less: Expenditures as of 4/30/2025</i>	<i>0</i>	<i>(556,578)</i>	<i>(23,202)</i>	<i>0</i>	<i>0</i>
<i>Less: Encumbrances as of 4/30/2025</i>	<i>(100,000)</i>	<i>(1,463,583)</i>	<i>(49,578)</i>	<i>0</i>	0
Cumulative Expenditures as of 6/30/25	<i>(100,000)</i>	<i>(2,020,161)</i>	<i>(72,780)</i>	<i>0</i>	<i>0</i>
\$ Remaining	0	928,996	0	1,000	5,000
% Remaining	<i>0%</i>	<i>32%</i>	<i>0%</i>	<i>100%</i>	<i>100%</i>

WORK2FUTURE
FINANCIAL STATUS REPORT AS OF 4/30/2025

Other Funds	California Workforce Assoc	Business Owners Space.com network	Total
I. Actual as of June 30, 2024	APPN 3903	APPN 3620	
Grant Period	N/A	N/A	
Original Allocation/Available Funds for FY23-24	4,042	7,838	11,880
<i>Less: Expenditure/Encumbrances as of June 2024</i>	<i>0</i>	<i>(5,237)</i>	<i>(5,237)</i>
Total Actual Expenditures/Encumbrances as of June 2024	0	(5,237)	(5,237)
Available Funds for FY 2023-2024	4,042	2,601	6,643
% Remaining	100%	33%	56%
II. Actual Expenditures/Encumbrances			
Available Funds for FY 2024-2025	4,042	2,334	6,376
<i>Expenditures as of 4/30/2025</i>	<i>0</i>	<i>(355)</i>	<i>(355)</i>
<i>Encumbrances as of 4/30/2025</i>	<i>0</i>	<i>0</i>	<i>(355)</i>
Cumulative Expenditures as of 6/30/25	0	(355)	5,666
\$ Remaining	4,042	1,979	6,023
% Remaining	100%	85%	94%

LABOR MARKET UPDATE

The estimated unemployment rate in Santa Clara County was 3.8 percent (preliminary) in May 2025, down from a revised 3.9 percent in April, but above the estimate of 3.6 percent in May 2024. The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 3.9 percent in May 2025, down from a revised 4.0 percent in April, and above the year-ago estimate of 3.6 percent. This compares with an unadjusted May 2025 unemployment rate of 4.9 percent for California and 4.0 percent for the nation.

The numbers of employed and unemployed residents in Santa Clara County fluctuated within a narrow band of about two percentage points between May 2024 and May 2025 as people moved in and out of the labor force. The number of employed residents was at a low of about 978,000 in May 2024 and peaked at 994,000 in March 2025, while unemployed residents were also at their low in May 2024—about 36,000—and peaked above 47,000 in July and August 2024.

Jobs in the counties of Santa Clara and San Benito, which together comprise the San Jose-Sunnyvale-Santa Clara MSA, grew by 3,800 between April 2025 and May 2025 to reach 1,153,300. However, in the year-over period between May 2024 and May 2025, the number of jobs declined by 5,100, or 0.4 percent.

In the near term (April 2025 to May 2025), Leisure and Hospitality led growth, adding 1,700 jobs. Over half of the gains were in food services and drinking places. Government added to job gains with 800 jobs. Local government added 800 and state government 100. These were offset slightly by the loss of 100 federal government jobs. Total farm and manufacturing each added 500 jobs.

For the month, the only major sector on the downside was construction, which lost 400 jobs, 300 among specialty trade contractors and 200 in construction of buildings. These were offset by a gain of 100 jobs in heavy and civil engineering construction.

Professional and business services had the largest year-over decline, slashing a total of 5,000 jobs., between May 2024 and May 2025. Professional, scientific, and technical services—down 4,000 jobs—accounted for 80 percent of the losses.

Manufacturing cut payrolls by 3,200 positions during the same period. Durable goods manufacturing—down 2,500 jobs—was responsible for the bulk of job losses.

On the upside, private education and health services added 7,300 jobs, which helped the overall job loss in the region. Gains were mainly in health care and social assistance—up 8,400 jobs—offset by a slight cutback in private educational services—down 1,100—due to the end of the school year.

The only other sector with an increase in employment was government—up 2,600 jobs. Local government gained 2,300 jobs, state government gained 500, and federal government decreased by 200.

A substantial portion of jobs lost have been lost permanently. Since July 2024, in Santa Clara County alone, employers have announced the elimination of more than 7,000 jobs due to permanent layoffs or the permanent closure of work sites or whole companies. Of these, 1,401 are in the San Jose-Silicon Valley Local Workforce Development Area. Of jobs lost permanently countywide, more than 2,600 were in the manufacturing sectors, 1,800 in the information sector and 650 in professional, scientific and technical services.

In the meantime, staff continue to see anecdotal evidence of long job searches and reluctance among many employers to add headcount due to perceived economic/business uncertainty.

#

III

Open Forum

IV

Business Items

Each of the following items will be taken up separately. Unless otherwise indicated, each is an information and discussion item:

- A. Chair's Report**
- B. Director's Report**
- C. FY2025-26 WIOA Program Operating Budget {ACTION}**
- D. Youth Committee Chair's Report**
- E. Business Services Committee Chair's Report {DEFER}**
- F. Staff Reports**
 - 1. WIOA Adult, Dislocated Worker and Youth Programs**
 - 2. 2025 San Jose Works Program**
 - 3. Pathway to Self-Sufficiency Pilot Initiative**

CHAIR'S REPORT

Board Vice-Chair Alan Takahashi will report on behalf of Board Chair Priya Smith on the Executive Committee's most recent meeting and other matters of interest to the Board.

###

DIRECTOR'S REPORT

work2future Director Sangeeta Durrall will report on various matters of interest to the Board.

###



Memorandum

TO: work2future BOARD
SUBJECT: **See Below**

FROM: Sangeeta Durrall, Tram Luu
DATE: June 19, 2025

Approved

Date

SUBJECT: Proposed work2future Workforce Innovation and Opportunity Act (WIOA) Program Operating Budget for FY 2025-2026

RECOMMENDATION

Approve the proposed WIOA program operating budget for Fiscal Year (FY) 2025-26, including:

- A. WIOA Program Operating Budget of \$8,256,271
- B. WIOA Administrative Budget in the amount of \$882,710
- C. Proposed WIOA estimated Rapid Response Funding of \$823,546, which includes \$107,528 of FY2024-25 carryover.
- D. Authorization for staff to transfer funds without additional Board approval, but with notification after the fact to the Executive Committee of any such transfers at the Committee's next available meeting:
 - a) Between budget line items, as long as there is no change to the overall amount of the program operating budget.
 - b) Between the Adult and Dislocated Worker Programs, as needed to accommodate changes in the numbers of clients served by the two programs, if the total of the combined budgets is not changed.

Staff may propose adjusting the budget line items in October/November 2025 as part of the reconciling process to reconcile projected carry-over with actuals.

This proposed budget will be presented to the Executive Committee at its meeting on June 20, 2025, for the committee's review and recommendation. The Executive Committee's recommendation and comments, if any, will be reported at the Board meeting on June 26, 2025, prior to the Board's consideration of the budget.

BACKGROUND AND ANALYSIS

On May 28, 2025, the State of California Employment Development Department (EDD) released its planned allocations for WIOA Adult, Dislocated Worker, and Youth funding streams for FY25-26. These allocations are based on the allotments to states issued by the U.S. Department of Labor (DOL), as recognized in Training and Employment Guidance Letter 11-24, dated May 20th, 2025. EDD's planned allocations for work2future reflected an approximately 43% overall increase from FY25-26 funding.

At the March 20, 2025, Executive Committee meeting, three preliminary budget scenarios were presented – AS IS (same allocation as FY 2024-25), 5% Decrease in allocation from FY 24-25 – base budget) and 10% Decrease in allocation from FY 24-25.

Given the overall increase of 43% in WIOA formula allocation, as indicated above, increase in service levels, number of clients served, and training will be considered for FY 25-26, including the following.

1. In preparation for the legislation's new training requirement to 50% (increase from 30%, which included 10% leveraged funds), and to allow for a smooth transition, work2future plans to allocate approximately 40% of the total Adult/DW allocation to training in FY 25-26.
2. work2future will continue to allocate 40% of its Youth funds to work experience.
3. This increase in allocation will help augment future program operating budget by increasing the unallocated contingency reserve account that serves as a bank for unanticipated needs and a bridge for any funding gap in the program operating budget for the following fiscal year and other budgetary challenges in the future. Furthermore, in anticipation of a reduction in allocation for FY 26-27, work2future plans to use these savings to mitigate impacts on staffing capacity, while continuing to provide quality case management services to clients with significant barriers to employment.

The table below is based on EDD's FY 2025-26 allocations and work2future Board requirements:

Proposed Sources	FY24-25 Adjusted Budget (\$)	FY25-26 Budget (43% Increase)	Increase/(Decrease)
Formula Allocation	6,172,580	8,827,100	2,654,520
15% Board Mandated Reserve from prior year allocation	966,071	925,887	(40,184)
Projected Savings (includes carryover and unallocated contingency reserve)	1,886,277	710,059	(1,176,218)
FY25-26 Board Mandated Reserve	(925,887)	(1,324,065)	(398,178)
FY25-26 Admin	(617,258)	(882,710)	(265,452)
Total	7,481,783	8,256,271	1,438,118

PROPOSED OPERATING BUDGET

The proposed Operating Budget for FY 2025-26 is a balanced budget based on proposed sources and uses of WIOA funds. The following tables describe in detail work2future's proposed operating budget and are distributed in accordance with WIOA requirements.

Proposed Operating Budget	FY24-25 Revised Budget	FY25-26 Proposed Budget	Increase/(Decrease)
Personnel Costs	1,894,126	1,544,915	(349,211)
Non-Personnel Costs	473,234	443,808	(29,426)
Adult Client-Related Training Services	1,852,765	2,363,155	510,390
Youth Client-Related (WEX) Services	560,274	1,048,718	488,444
One Stop Operator	30,000	30,000	-
Distribution to Service Provider	2,489,612	2,300,000	(189,612)
Unallocated Contingency Reserve	181,772	525,675	343,903
Total Proposed Use	7,481,783	8,256,271	774,488

WIOA Adult and Dislocated Worker SB-734 Training	Proposed Budget
Adult and Dislocated Worker Program Allocation FY 25-26	5,941,771
70% of 40% allocation through cash expenditures	1,663,696
SB-734 Requirement (FY2024-25 balance)	619,459
Total FY2025-26 Adult and Dislocated Worker Training	2,283,155

We anticipate that \$619,459 is the remaining SB734 requirement balance of FY2024-25 to be carried-over to FY2025-26. A revised budget with actual carry-over amount will be presented in the Reconciled Budget at November 2025 Board Meeting.

WIOA Youth Training	Proposed Budget
Youth Program Allocation FY25-26	2,885,329
Less: 10% Administration	(288,533)
Youth Program Allocation @ 90%	2,596,796
Total Youth Work Experience Funds (100% of 40% of Youth Program Allocation)	1,038,718

Service Provider Funding	Equus (Adult, Dislocated Workers, Youth)
WIOA Base Budget (Includes 88,271 for administration per WIOA)	2,388,271
Adult/DW OJT	37,500
Youth WEX	1,038,718
Supportive Services (SUS)	30,000
Total	3,494,489

PROPOSED ADMINISTRATIVE BUDGET

The proposed Administrative Budget is estimated at 10% of total WIOA allocation, assuming no carry-over of savings of admin from FY2024-25. The table below shows how the administrative funding is distributed:

WIOA Proposed Administrative Budget	Proposed Budget
FY 2025-26 Allocation	8,827,100
10% of Allocation	882,710
FY 2024/25 Estimated Carry-Over	0
Total	882,710
Cost Distribution	
Personnel Costs	534,303
City Attorney's Office	135,659
Non-Personnel Cost	56,618
City Overhead	67,859
Distribution to Service Providers	88,271
Total	882,710

PROPOSED RAPID RESPONSE BUDGET

The proposed Rapid Response Budget is estimated at \$716,018, reflecting a possible 5% decrease from the FY 2024-25 allocation for Rapid Response. Once the final Rapid Response allocation is received from EDD, work2future will present a final Rapid Response Budget to the Board for approval.

Proposed Rapid Response	Proposed Budget
Total Estimated Rapid Response Allocation	716,018
Projected Savings from FY2024-25	107,528
Cost Distribution	
Personnel Costs	421,622
Non-Personnel Cost	47,994
City Overhead (10% of allocation)	71,602
Unallocated Reserve (Rapid Response)	282,328
Total	823,546

OTHER

Staff requests that the Board approve authority for staff to transfer funds between budget line items, provided there is no change to the overall budget, and transfer falls within the Board-approved WIOA Operating Budget.

Staff also requests that the Board approve authority for staff to transfer funds between the Adult and Dislocated Worker programs, as needed, to accommodate changes in the numbers of clients served by the two programs without having to seek additional Board approval.

/s/
SANGEETA DURRAL and TRAM LUU
work2future Finance

YOUTH COMMITTEE CHAIR'S REPORT

Youth Committee Chairperson Jack Estill will report on activity related to the Youth Committee.

###

BUSINESS SERVICES COMMITTEE CHAIR'S REPORT

Business Services Committee Chairperson Mike Hill is away for a meeting of the state's Employment Training Panel. His report is deferred to a future Board meeting.

###

STAFF REPORTS

Staff will report on various programs and projects, as follows:

1. WIOA Adult, Dislocated Worker and Youth Programs

Deanna Walter, Project Manager, Adult & Dislocated Worker Programs

Mirza Handzar, Project Manager, Youth Program & Training

2. 2025 San Jose Works Program

Ruby Carrasco, San Jose Works Program Manager

3. Pathway to Self-Sufficiency Pilot Initiative

Lawrence Thoo, Strategic Engagement Manager

###

V

Other

VI

Adjournment

Next meeting of the Board: September 18, 2025, 9:30 am