

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 5/6/2014	(3) CONTACT/PHONE Dawn Boulanger 781-1835	
(4) SUBJECT Request to approve: 1) Amendment No. 1 to the agreement (Clerk's File) with the South Bay Workforce Investment Board, Inc. for the continued receipt of Workforce Investment Act (WIA) Dislocated Worker 25% Additional Assistance funds in the amount of \$197,312, and 2) a renewal contract (Clerk's File) with Goodwill Industries to continue Dislocated Worker services through March 31, 2015 in the amount of \$146,831 in 25% WIA Dislocated Worker Additional Assistance funds.			
(5) RECOMMENDED ACTION It is recommended that your Board: <ol style="list-style-type: none"> 1. Approve and direct the Chairperson to sign Amendment No. 1 to the agreement between the County of San Luis Obispo and South Bay Workforce Investment Board, Inc. for continued participation in the Workforce Investment Act (WIA) Dislocated Worker 25% Additional Assistance project for the period of March 1, 2014 through March 31, 2015; 2. Approve and direct the Chairperson to sign the renewal contract between Goodwill Industries of Santa Cruz, Monterey, and San Luis Obispo Counties (Goodwill) in the amount of \$146,831 in 25% WIA Dislocated Worker Additional Assistance funds to continue to provide dislocated worker services through March 31, 2015. 			
(6) FUNDING SOURCE(S) Grant Funding	(7) CURRENT YEAR FINANCIAL IMPACT \$146,831	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001394		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>07/16/2013</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Dawn Boulanger
781-1835

DATE: 5/6/2014

SUBJECT: Request to approve: 1) Amendment No. 1 to the agreement (Clerk's File) with the South Bay Workforce Investment Board, Inc. for the continued receipt of Workforce Investment Act (WIA) Dislocated Worker 25% Additional Assistance funds in the amount of \$197,312, and 2) a renewal contract (Clerk's File) with Goodwill Industries to continue Dislocated Worker services through March 31, 2015 in the amount of \$146,831 in 25% WIA Dislocated Worker Additional Assistance funds.

RECOMMENDATION

It is recommended that your Board:

1. Approve and direct the Chairperson to sign Amendment No. 1 to the agreement between the County of San Luis Obispo and South Bay Workforce Investment Board, Inc. for continued participation in the Workforce Investment Act (WIA) Dislocated Worker 25% Additional Assistance project for the period of March 1, 2014 through March 31, 2015;
2. Approve and direct the Chairperson to sign the renewal contract between Goodwill Industries of Santa Cruz, Monterey, and San Luis Obispo Counties (Goodwill) in the amount of \$146,831 in 25% WIA Dislocated Worker Additional Assistance funds to continue to provide dislocated worker services through March 31, 2015.

DISCUSSION

California implemented the federal Workforce Investment Act (WIA) of 1998 in the year 2000 with the goal of building a comprehensive workforce investment system that would increase employment opportunities, job earnings and retention, while improving occupational skills to sustain California's economic growth in future years. The One-Stop Operator (Goodwill) is responsible for the administrative operations of the One-Stop delivery system, working in conjunction with the County, the San Luis Obispo County Workforce Investment Board (SLOWIB), and One-Stop partners. For purposes of this contract, administrative operations means the management and coordination of those activities necessary to support the delivery of program services in the One-Stop delivery system and more particularly in the One-Stop Career Centers in our County. The local One-Stop Career Centers offer a full range of employment services including, but not limited to, training, career counseling, job listings, and services to match employers with job seekers. Goodwill Industries as the local operator, provides Dislocated Worker services.

WIA regulations require States to provide funds for Rapid Response Activities and Additional Assistance Grants to Local Areas which experience a demand for services that exceeds the capacity of existing resources. Under WIA regulations, states can set aside up to twenty-five percent of their Dislocated Worker allotment to provide these types of activities. The twenty-five percent portion of Dislocated Worker funds are retained at the state level and are under the administrative authority of the California Labor and Workforce Development Agency's Employment Development Department (EDD). These funds provide Additional Assistance grants through an application process. The Additional Assistance funds must be used to provide services to dislocated workers.

Background

In June 2012, San Luis Obispo County was asked to participate in the California Multi-Sector Workforce Partnership 25% WIA Additional Assistance project, funded by the State of California EDD. The Multi-Sector Partners include 14 California local workforce investment areas and their boards. In March 2013 the State of California EDD awarded the 25% WIA Dislocated Worker Additional Assistance grant to the South Bay Workforce Investment Board, Inc. (SBWIB) on behalf of the California Multi-Sector Workforce Partnership. The purpose of the 25% WIA Dislocated Worker Additional Assistance grant was to provide employment and job training services to dislocated workers affected by 95 employer mass layoff events affecting 15,919 workers from a range of occupations impacting multiple industries across 14 local workforce investment areas in southern, central, and northern California. Of the total, 2,497 workers, or 16%, will participate in this project. A list of eligible employers with layoff events in 2011 and 2012 affecting 50 or more workers and/or multiple locations across the state was provided to each local area providing services under the Multi Sector Partnership 25% Additional Assistance project. San Luis Obispo County's eligible employer list was comprised of the following:

- Atascadero State Hospital
- Bechtel Power Corporation
- Rome Research Corporation
- Three store locations of Scolari's Food and Drug

Employees affected by layoffs at these companies occurring within a specified time period were approved to be enrolled under the 25% WIA Dislocated Worker Additional Assistance grant program and their participation was not to be funded using Dislocated Worker funds that come as a part of the local area's regular allocation. These state Additional Assistance funds were to aid state and local efforts to address California's persistent high unemployment rate and the need for skilled workers in multiple sectors of the California economy.

The SBWIB has served as the grant recipient, fiscal agent, and administrative entity for this project. San Luis Obispo County was named as a Contract Agent for the SBWIB. The Department of Social Services (DSS) has overseen administrative and fiscal functions as well as monthly reporting to the SBWIB in its capacity as the Administrative Entity and Fiscal Agent for the San Luis Obispo Workforce Investment Board (SLOWIB). The project required that all participants in San Luis Obispo County be enrolled in the program by December 31, 2013.

The SBWIB recently confirmed that the state agreed to modify the initial agreement for services under this 25% Additional Assistance project.

New Agreement

Due to challenges with the recruitment and enrollment of participants related to the limited eligibility requirements, the State decided to modify the initial agreement with the SBWIB for services under the 25% Additional Assistance project, in order to enroll and serve a larger group of participants. Approval of this item will allow the County to continue to receive funds to supplement current Dislocated Worker funds. Upon the Board's approval, the County on behalf of the SLOWIB will enter into an agreement to continue as subcontractor to the SBWIB so that the County can continue to receive a prorated share of total available funding (initially approved in July 2013). The County's prorated share and the Agreement with SBWIB is in the amount of \$197,312 and is retroactive to serve participants from September 1, 2012. This retroactive date is due to funds being awarded based on the original application date.

An original contract with Goodwill in the amount of \$178,567 in 25% Additional Assistance funds for Dislocated Worker services was executed by the Board of Supervisors on July 16, 2013. In March 2014 the SBWIB confirmed that the state had agreed to the following modifications to services under this 25% Additional Assistance project:

1. Extend the term/end date of the contract from March 1, 2014 to March 31, 2015
2. Extend the participant enrollment date from December 31, 2013 to December 31, 2014
3. Add a service provision for eligible veterans
4. Additional eligible employers added. In San Luis Obispo County, the additional eligible employers are Mission Community Bank, Dynergy, and two store locations of Office Max (Paso Robles and San Luis Obispo).

Since the original contract with Goodwill expired on March 1, 2014 an amendment could not be done. Therefore, a new contract with Goodwill is required for provision of services utilizing these same 25% Additional Assistance funds. The

original contract with Goodwill allocated a total of \$178,567 in 25% Additional Assistance funds for Dislocated Workers services. The balance of the total amount awarded (\$18,744) was allocated for DSS Administration through the life of the grant. This new contract with Goodwill is for \$146,831 which is the original contract amount (\$178,567) minus what Goodwill has already invoiced for through provision of 25% Additional Assistance services thus far. The minimal invoicing by Goodwill evidences the challenges in serving participants under the initial limited eligibility criteria. Since the project had a retroactive date to September 2012, many of the individuals impacted the initial layoffs had found employment by the time services began under this funding in March 2013. Additionally, some employers had re-located individuals within the company and thus avoided the anticipated layoffs.

The grant requires that 35% of total funding be targeted towards training; therefore \$69,059 has been designated for training. Services will include assessments, job search and placement assistance, classroom-based training through the use of an individual training account (ITA), on-the-job training (OJT), as well as supportive services. A copy of the County’s contract with the SBWIB, as the prime agreement, will be provided to Goodwill. The grant project is anticipated to serve approximately 30 participants throughout San Luis Obispo County. The initial agreement stated a performance measure of 50 participants. This was revised to reflect a more realistically attainable performance upon experiencing the challenges stated above regarding limited eligibility criteria and lengthy time span between layoff occurrence and onset of services.

OTHER AGENCY INVOLVEMENT/IMPACT

The Workforce Investment Board (WIB), California Employment Development Department (EDD), Goodwill Industries, and the South Bay Workforce Investment Board (SBWIB) participated in creating this contract. County Counsel has reviewed and approved the contract as to legal form and effect.

FINANCIAL CONSIDERATIONS

The 25% WIA Dislocated Worker Additional Assistance funding is 100% federally funded. The contract amount is included in the DSS FY 2013-14 adopted budget and will have no impact to the Department’s adopted level of General Fund support. Any unused funds in FY 2013-14 will roll over into the department’s FY 2014-15 budget.

Agency	Total Contract Amount 3/1/2014- 3/1/2015	Sharing Ratios			
		Fed	State	Co	Other
Goodwill – FY 2013-14 and 2014-15 - Total 25% WIA Dislocated Worker Additional Assistance Contract Amount	\$146,831	100%	0%	0%	0%

RESULTS

The below results for Goodwill are outcomes that were set forth in the March 2014 agreement with the SBWIB.

1. Contractor will serve an estimated thirty (30) Dislocated Workers.
2. Contractor will execute an estimated (15) 25% Additional Assistance-funded On-the-Job (OJT) contracts.
3. Contractor will execute an estimated ten (10) 25% Additional Assistance -funded ITAs.
4. Contractor will enroll all participants by December 31, 2014.
5. Contractor will provide 25% Additional Assistance -funded dislocated workers services that result in sixty five percent (65%) entered employment rate.
6. Contractor will provide 25% Additional Assistance -funded dislocated workers services that result in eighty three percent (83%) being employed in the first quarter after the exit quarter (i.e., retaining employment).

Contractor will provide 25% Additional Assistance -funded dislocated worker services that result in those who exit the program being employed with average earnings of \$15,900.

ATTACHMENTS

1. Agreement with SBWIB and Contract with Goodwill for 25% Additional Assistance funding (Clerk's Filed)