

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

(1) DEPARTMENT Social Services	(2) MEETING DATE 11/25/2014	(3) CONTACT/PHONE Trish Avery Caldwell 805.781.1728													
(4) SUBJECT Request to approve two new service contracts (Clerk's File) for CalWORKs Expanded Subsidized Employment (ESE) with 1) Henkels and McCoy (H&M) and 2) Goodwill Industries of Santa Cruz, Monterey and San Luis Obispo Counties (Goodwill) for the period of November 1, 2014 through June 30, 2015 in the amounts of \$378,404 and \$194,999 respectively. All Districts.															
(5) RECOMMENDED ACTION It is recommended that the Board: 1. Approve, and direct the Chairperson to sign, a new service contract with Henkels and McCoy (H&M) for CalWORKs Expanded Subsidized Employment (ESE) for the period of November 1, 2014 through June 30, 2015 in the amount of \$378,404. 2. Approve, and direct the Chairperson to sign, a new service contract with Goodwill Industries of Santa Cruz, Monterey and San Luis Obispo Counties (Goodwill) for CalWORKs Expanded Subsidized Employment (ESE) for the period of November 1, 2014 through June 30, 2015 in the amount of \$194,999.															
(6) FUNDING SOURCE(S) Federal and State	(7) CURRENT YEAR FINANCIAL IMPACT <table border="1" style="width:100%; border-collapse: collapse; margin-top: 5px;"> <tr><td style="width:50%;">Henkels</td><td style="width:50%; text-align: right;">\$378,404</td></tr> <tr><td>Goodwill</td><td style="text-align: right;">\$194,999</td></tr> <tr><td>Total</td><td style="text-align: right;"><u>\$573,403</u></td></tr> </table>	Henkels	\$378,404	Goodwill	\$194,999	Total	<u>\$573,403</u>	(8) ANNUAL FINANCIAL IMPACT <table border="1" style="width:100%; border-collapse: collapse; margin-top: 5px;"> <tr><td style="width:50%;">Henkels</td><td style="width:50%; text-align: right;">\$378,404</td></tr> <tr><td>Goodwill</td><td style="text-align: right;">\$194,999</td></tr> <tr><td>Total</td><td style="text-align: right;"><u>\$573,403</u></td></tr> </table>	Henkels	\$378,404	Goodwill	\$194,999	Total	<u>\$573,403</u>	(9) BUDGETED? Yes
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(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) Henkels: 1001469 Goodwill: 1001468		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <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 checked="" type="checkbox"/> N/A Date: _____													
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson															
(18) SUPERVISOR DISTRICT(S) All Districts															

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services/Trish Avery Caldwell
(805) 781-1728

DATE: 11/25/2014

SUBJECT: Request to approve two new service contracts (Clerk's File) for CalWORKs Expanded Subsidized Employment (ESE) with 1) Henkels and McCoy (H&M) and 2) Goodwill Industries of Santa Cruz, Monterey and San Luis Obispo Counties (Goodwill) for the period of November 1, 2014 through June 30, 2015 in the amounts of \$378,404 and \$194,999 respectively. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve, and direct the Chairperson to sign, a new service contract with Henkels and McCoy (H&M) for CalWORKs Expanded Subsidized Employment (ESE) for the period of November 1, 2014 through June 30, 2015 in the amount of \$378,404.
2. Approve, and direct the Chairperson to sign, a new service contract with Goodwill Industries of Santa Cruz, Monterey and San Luis Obispo Counties (Goodwill) for CalWORKs Expanded Subsidized Employment (ESE) for the period of November 1, 2014 through June 30, 2015 in the amount of \$194,999.

DISCUSSION

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) was signed into law in 1996 and promised to end welfare as once known by adding a workforce-development component, time-on-aid limits and other supportive services to help participants gain and maintain employment. One of the outcomes of PRWORA was the new Federal assistance program called Temporary Assistance for Needy Families (TANF) which replaced the legacy program known as Aid-to-Families-with-Dependent-Children (AFDC). California's TANF program, California Work Opportunity and Responsibility to Kids (CalWORKs), established detailed requirements for employment programs and supportive services to help low-income families succeed in becoming employed and move toward self-sufficiency. Specifically, subsidized employment is an approved program activity for CalWORKs Welfare-to-Work (WTW) participants and history has shown that it helps individuals moving toward self-sufficiency.

Subsidized Employment (SE) is an activity in which a CalWORKs WTW participant's employer is partially or wholly reimbursed for wages and/or training costs incurred for employing a CalWORK's participant. The original State subsidized employment structure was created under Assembly Bill (AB) [98](#) (Chapter 589, Statutes of 2007) and was expanded by Senate Bill (SB) [72](#) (Chapter 8, Statutes of 2011 and ACL [11-34](#)) following the state's very successful use of American Recovery and Reinvestment Act (ARRA) funds in 2009 and 2010. The use of ARRA funds in California created over 47,000 subsidized employment jobs. To build on the success of prior SE programs, AB [74](#) (Chapter 21, Statutes 2013; WIC §§ 11322.63 and 11322.64 and ACL [13-81](#)) was passed in 2013 and included program requirements for an Expanded Subsidized Employment (ESE) program which became effective January 1, 2014.

The ESE program extends the duration of funding allocated for subsidized employment through FY 2014-2015 and therefore increases the opportunities for participants looking to further develop their employment skills. Components of ESE includes, but is not limited to, assessment, training, intensive case management, increased subsidized employment opportunities, supervision, and job performance evaluations for all eligible CalWORKs WTW participants. Participation in

ESE is at County option and required a written ESE plan be submitted to California Department of Social Services (CDSS). The County Department of Social Services (DSS) submitted the required plan in February 2014 and notified on July 17, 2014 that CDSS ESE funds would be allocated to our County to provide ESE opportunities to our local CalWORKs WTW participants.

The County evaluated the local CalWORKs WTW subsidized employment needs and put together a Request for Proposal (RFP) that was released August 12, 2014. The County received two (2) proposals by the RFP close date of September 5, 2014. DSS organized a Selection Committee as outlined by County Purchasing to evaluate the submissions based on the criteria outlined in the RFP. Based on the evaluation, DSS selected both agencies: Henkels and McCoy (H&M), and Goodwill Industries of Santa Cruz, Monterey and San Luis Obispo Counties (Goodwill). Both agencies offer unique employment services and partnerships that will maximize the County's opportunity to find appropriate jobs for our employable CalWORKs WTW participants. Due to the late ESE allocation of funds, and the time required for the RFP process, the services began November 1, 2014 and are scheduled to be completed June 30, 2015.

Henkels and McCoy (H&M) is a privately held company that has been in business since 1923. They started as a landscape and construction company and grew into a nationwide engineering, construction and training firm. Their mission is to improve the quality of the workforce and enhance the productivity and competitiveness of the nation. To help obtain that goal, Henkels and McCoy Training Services began in 1983, and offers a full service employment and training program that operates throughout California and the United States (US). With one of the most experienced management teams in the business of helping people secure unsubsidized employment, they serve more than forty (40) communities per year that engage and empower participants to become self-sufficient. On a local level they have successfully provided Workforce Investment Act (WIA) employment services for at-risk youth to improve their employment skill base and become gainfully employed. For more information about services offered by H&M, visit their website at www.henkels.com.

Goodwill has been providing specialized vocational services since 1928 in the counties of Monterey, Santa Cruz, and San Luis Obispo Tri-County areas. Its mission is to provide training and employment opportunities to help people with disadvantaging conditions find employment. In San Luis Obispo County, Goodwill has provided vocational training, employment preparation and job retention services for over 15 years. Since the start of their Workforce Investment Act (WIA) services contract, Goodwill has operated a one-stop job center site in San Luis Obispo that has been in existence since 2000. Goodwill also provides remote service delivery in North County and Coastal communities by facilitating Job Seekers Academies. In addition, they continue to offer WIA services in Salinas, Santa Cruz and Monterey Counties, along with administering a number of employment and training programs for the State Department of Rehabilitation, the Department of Labor (DOL), and private insurance carriers. Goodwill employs more than 480 employees and successfully provided workforce and vocational services in the past calendar year to more than 12,000 participants. For more information about services offered by Goodwill, visit their website at www.shorelineworks.org.

Specific to this contract, both H&M and Goodwill will provide subsidized employment and related services that include essential employability training, supervision, intensive case management and job performance evaluations during an eight-month period (November 2014 through June 2015). The program will provide 20-35 hours of paid training and employment per week over a 16-week period for each participant, encompassing a four-week Job Readiness and Retention Program (JRRP) and a 12-week subsidized employment placement. Goodwill employment placements will be offered at Goodwill Retail locations, while H&M will partner with private and public agencies, faith-based, and other employers to place CalWORKs WTW participants in employment that leads to self-sufficiency. Both agencies will work with eligible CalWORKs WTW participants to identify employment opportunities to gain basic work experience and learn new employment skills by performing basic-level duties as an employee during the paid employment opportunity. Subsidized employment has proven to assist CalWORKs WTW recipients in transition to and retaining unsubsidized employment.

Approval of these contracts will ensure that CalWORKs ESE employment and training opportunities will be available to CalWORKs WTW participants wanting to develop their work skills, secure employment and live independently. All services are intended to support long-term achievement and support both welfare reform goals and the outcomes of Assembly Bill 636 (AB 636), the Child Welfare System Improvement and Accountability Act (better known as the System Improvement Plan or SIP), which focuses on continuous improvement, interagency partnerships, community involvement and public reporting outcomes. These services support the Department and County goal of keeping our economy strong and viable and assuring that all share in this economic prosperity.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the contracts as to legal form and effect.

FINANCIAL CONSIDERATIONS

The total contract amounts for H&M and Goodwill are \$378,404 and \$194,999 respectively. The funding for these contracts is included in the DSS adopted budget for Fiscal Year 2014-2015 and will require no General Fund contribution. The total amount for two (2) ESE services contracts is \$573,403.

Agency	Actual FY 14-15	Notes	Sharing Ratios		
			Fed	St	Co
Henkels and McCoy Training Services	\$378,404	Expanded Subsidized Employment (ESE)	85%	15%	0%
Goodwill	\$194,999	Expanded Subsidized Employment (ESE)	85%	15%	0%

RESULTS

The Expanded Subsidized Employment (ESE) service contracts are new this year and there are no prior year performance outcomes.

Results

Henkels and McCoy (H&M)

Henkels and McCoy will provide ESE services to 34-36 eligible CalWORKs WTW participants during an eight-month period.

Henkels and McCoy ESE services will result in eighty percent (80%) of CalWORKs WTW participants enrolled in certification programs obtaining certification in their designated course of study by the end of their 16-week enrollment.

Seventy percent (70%) of CalWORKs WTW participants placed in subsidized employment will be transitioned to unsubsidized positions within ninety (90) days of completing their 16-week ESE program.

Goodwill

Goodwill will provide ESE services to twenty (20) eligible CalWORKs WTW participants during an eight-month period.

Goodwill services will result in eighty percent (80%) of CalWORKs WTW participants enrolled in Job Readiness and Retention obtaining certification in their designated course of study by the end of their 16-week enrollment.

Seventy percent (70%) of CalWORKs WTW participants placed in subsidized employment will be transitioned to unsubsidized positions within ninety (90) days of completing their 16-week ESE program.

ATTACHMENTS

1. Henkels and McCoy Clerk's File Statement
2. Goodwill Clerk's File Statement