



# SAN BENITO COUNTY

TRACEY BELTON  
INTERIM DIRECTOR

Health & Human Services Agency

COMMUNITY SERVICES & WORKFORCE DEVELOPMENT

1111 SAN FELIPE ROAD, SUITE 107 • HOLLISTER, CA 95023

(831) 637-9293 • FAX (831) 637-0996

## San Benito County Workforce Development Board (WDB)

1161 San Felipe Road, Hollister, CA 95023

November 12, 2019 @ 3:00 P.M.

### WDB Ex Committee Agenda

FOR THE HEALTH AND SAFETY OF STAFF & GUESTS, ALL MEETINGS ARE FRAGRANCE FREE

Excused/Unexcused Quorum Met: Yes <input type="checkbox"/> No <input type="checkbox"/>					
Representing the Private Sector (PR)			Representing the Public		
<input type="checkbox"/>	Bianchi, Richard, <i>Chair</i>	<input type="checkbox"/>	Para, Karen, <i>Secretary</i>	<input type="checkbox"/>	Belton, Tracey
<input type="checkbox"/>	Chavez Wyatt, Kristina	<input type="checkbox"/>	Perez, Richard, Sr, <i>V-Chair</i>	<input type="checkbox"/>	Bobsin, Kendra, <i>Treasurer</i>
<input type="checkbox"/>	Frowein, Chuck	<input type="checkbox"/>		<input type="checkbox"/>	

#### I. GENERAL INFORMATION:

A. **Public Comment Period:** Guests may introduce themselves and request to comment on any non-agenda items. Time is limited to three (3) minutes per guest unless the board determines that more time is needed.

#### II. Regular Agenda:

A. **Roll Call:** Roll will be taken to determine excused absences for attendance requirements.

B. **Meeting Minutes: Motion/Second Concur (M/S/C)**

1. **Executive Committee:** The June 11, 2019 Ex Com minutes are enclosed for board review and approval. There were no meetings held in August and September 2019.

2. **Full WDB:** The October 8, 2019 full WDB meeting minutes are enclosed for board info.

III. **CONSENT AGENDA:** Items as a whole will be voted on. For any item the board wishes to discuss further, the board may request it to be pulled and placed in the Discussion/Action Items:

A. **Board Announcements:**

B. **Workforce Services Directives and Information Notices:** The most recent Workforce Services Directives [WSD19-02 thru 04](#) and Information Notices [WSIN 19-10 thru 19-14](#) are enclosed.

C. **Unemployment:** Enclosed is the Unemployment Report for October 2019.

D. **Budget Expenditure Report:** Enclosed are the current expenditure reports through September 2019.

E. **Board Membership:** Any applications received may be reviewed for appointment to the board. The current vacancies are: Business Representatives (2).

F. **Program Monitoring Review:** Scheduled for January 21-24, 2020 confirmation letter enclosed.

G. **AB 1111 Application:** Staff may provide an update on the Breaking Barriers to Employment application which was submitted on August 26, 2019.

#### IV. DISCUSSION/ACTION ITEMS:

A. **WDB Re-Appointment:** Kristi Alarid's membership is due to expire on December 17, 2019. Kristi has agreed to another 3-year term. *Action required.*



COMMUNITY ACTION BOARD & WORKFORCE Development BOARD

SERVING SAN BENITO COUNTY SINCE 1978

The County CSWD is an equal opportunity employer/program



The County of San Benito complies with the Americans with Disabilities Act (ADA) by assuring that auxiliary aids for services are available upon request to persons with disabilities. Persons with hearing disabilities can call the TDD/TTY phone (831) 637-3265. Persons requiring any special needs for access to should call the CSWD office at 831-637-9293 at least five business days before the needed date to arrange for the special accommodations.

- B. **Prison 2 Employment (P2E) Implementation Grant**: Staff may provide an update.
- C. **WDB Strategic Plan**: Request to move the regular full WDB scheduled for January 14, 2019 to start at 12:00 P.M. with a Retreat/Strategic Planning meeting to follow. Location to be determined. *Action required*
- D. **Regional Program Unit**: Staff will provide an update on the Regional Program Unit status of regional grants.
- E. **Regional Program Implementation (RPI)/SlingShot 3.0 Funding**: Staff will provide an update on the RPI/SlingShot 3.0 funding opportunity focusing on the Water Treatment industry. <https://cwdb.ca.gov/initiatives/slingshot/>
- F. **Committee Updates**: Updates may be provided on the following committees: Provide board members with the committee list
  - 1. **Bylaws Committee**: Staff sent out final bylaws to all board members.
  - 2. **Executive Committee**: There is a need to make changes to the committees due to Kristina Chavez Wyatt being moved from Public Sector to Private Sector and Nelson Leonor has agreed to serve on this committee as a Public Sector member. *Action required*
  - 3. **Ag Committee**: Staff and committee members may provide an update on providing Food Safety training.
  - 4. **Audit Committee**: **Enclosed** is the draft monitoring letter provided by the State for program year 2018-19 held January 28, 2019-February 1, 2019.
  - 5. **Youth Committee**:
- IV. **Additional Information**:
  - 1. **CalJobs/EDD Training**: Nelson may provide an update on CalJOBS workshop to be offered to local employers to learn how navigate the system and post their vacancies.
- V. **Adjournment**:

The next Ex Com meeting is December 10, 2019 at  
AJCC 1111 San Felipe Road, Suite 107, Hollister, CA 95023

The next full WDB meeting is scheduled for January 14, 2020, time and location TBD



San Benito County Workforce Development Board (WDB)  
Grillin & Chillin Ale House, 401 McCray St, Suite B24  
Hollister, CA 95023

June 11, 2019 @ 3:00 P.M.

Executive Committee Meeting

MINUTES

FOR THE HEALTH AND SAFETY OF STAFF & GUESTS, ALL MEETINGS ARE FRAGRANCE FREE

- Present: Richard Bianchi, Kendra Bobsin, Kristina Chavez Wyatt, Chuck Frowein, Karen Para,
- Absent: **Excused:** Tracey Belton **Unexcused:** Richard Perez
- Guests: Michelle Leonard
- Staff: Andi Anderson, Enrique Arreola, Sylvia Jacquez, Ruby Soto

Chair, Richard Bianchi, called the meeting to order at 3 P.M.

I. **GENERAL INFORMATION:**

A. **Public Comment Period:** Guests may introduce themselves and request to comment on any non-agenda items. Time is limited to three (3) minutes per guest unless the board determines that more time is needed. Introductions were made by everyone present. No public were present.

II. **Regular Agenda:**

A. **Roll Call:** Roll was taken to determine excused absences for attendance requirements. Individuals who called in were excused by the chair. Excused Tracey Belton. Unexcused Richard Perez.

B. **Meeting Minutes: Motion/Second Concur (M/S/C)**

- 1. **Executive Committee:** The May 14, 2019 Ex Com minutes were approved as presented. **M/S/C Karen Para/Kristina Chavez Wyatt**
- 2. **Full WDB:** The January 8, 2019 and April 9, 2019 full WDB meeting minutes were enclosed for board info and will be tabled to the full WDB meeting in July for action.

III. **CONSENT AGENDA:** Items as a whole will be voted on. For any item the board wishes to discuss further, the board may request it to be pulled and placed in the Discussion/Action Items: **M/S/C Kendra Bobsin/Karen Para.**

A. **Board Announcements:**

B. **WIOA Allocations:** Enclosed for board information are the WIOA allocations for PY 2019-2020 and PY 2018-2019.

C. **Workforce Services Directives and Information Notices:** The most recent Workforce Services Directives [WSD18-13-14](#) and Information Notices [WSIN 18-33 thru 18-38](#) are enclosed.



- D. **Unemployment:** The Unemployment Report for April 2019 was enclosed.
- E. **Budget Expenditure Report:** Enclosed for your information.
- F. **Lay-Off Aversion Services and Rapid Response Report:** Enclosed is the report for May 2019.
- G. **Board Membership:** Pulled memberships for discussion

IV. **DISCUSSION/ACTION ITEMS:**

- A. **Board Membership:** No applications were received for appointment to the board. The current vacancies are: Business Representatives (4). Several individuals have been contacted about membership to include: Shelley Gaincola from Casa De Fruta, Michelle Leonard from San Benito County Chamber. Other suggestions were San Juan Bautista City Council Member Leslie Jordan. Staff has looked at the Econovue system to research employers and invite members to serve on the WDB. Discussed was hosting a breakfast/lunch to give a brief orientation on WDB to identify potential members and create exposure to the board. Staff will poll membership committee with dates and times Wednesday August 21<sup>st</sup>. Suggest lunch /breakfast.
- B. **Meeting of the Minds Monterey:** Scheduled for September 1-5, 2019. Staff requested approval to send up to 4 staff and board members to this conference. Early Bird Member-\$600.00, rate ends Saturday, July 20, 2019 <https://calworkforce.org/mmm-registration/> Sylvia was asked to give a presentation at the Boot camp and with that we will get a reduced rate. Approximately \$400. After discussion the WDB Ex Committee approved the \$2400 for up to 4 people to attend (2staff 2board) *M/S/C Karen Para/Kendra Bobsin.*
- C. **AB1111 Breaking Barriers to Employment Initiative:** The Breaking Barriers to Employment Initiative is intended to supplement existing workforce and education programs by providing services to ensure the success of individuals either preparing to enter or already enrolled in workforce and education programs. The CWDB is issuing a request for Letters of Intent to Apply. <https://cwdb.ca.gov/ab1111/>. Staff explained the funds and how it would be utilized. After discussion the board approved staff to submit letter of intent. *M/S.C Kendra Bobsin/Karen Para.*
- D. **Prison 2 Employment (P2E) Grant:** AJCC was funded \$74,000. A Request for Proposal (RFP) was released and there were no submissions. Staff provided an update on discussion held with the Probation Department on their needs, possible funding to meet those needs and to see if the probation and sheriff departments would like to be the provider. The probation could provide re-entry services along with a case manage/employment counselor to assist with client referrals to supportive services, i.e. post custody life skills training, Behavioral Health, housing navigation, etc. with the main goal of addressing barriers and assisting to formerly incarcerated to become employable. Provide assessment results at the next meeting. Another resource is Donna Haynes is a prospective employer as she hires formerly incarcerated. Just to clarify, this item required no action and was information only.
- E. **WIOA Memorandums Of Understanding (MOU):** Staff provided an update on the [WSD18-12](#) Directive was released April 30, 2019 indicating the need to update the MOUs. The MOU is due to the State on June 30, 2019. Enrique explained the 3 phases of the updated MOU's and the role of the partner agencies. Each partner is required to pay their fair share to operate at the AJCC. In most cases non-profit cases left due to lack of funding. Partners bring value to workforce. Phase III is to update the MOU and reflect the partners and describe shared customers, partners, costs and resign the MOU.
- F. **Website:** The revamped website was launched on May 10, 2019. Any updates or additional recommendations may be sent to Sylvia Jacquez. It was noted that today's meeting agenda isn't on the website. Staff will begin adding the agenda when they are release. Send out a

press release that the site exists and call for employers to post directly there. It was also suggested that employers receive training on navigating CalJobs to post positions.

- G. **Extension of Approval to Act as Career Service Provider:** A letter indicating approval for the Local Workforce Area to continue to act as the WIOA Adult and Dislocated Worker Career Service Provider has been extended through June 30, 2021 was enclosed for board information.
- H. **Second Chance Event:** Flier was distributed for the July 16, 2019 for the Second Chance Reentry program: <https://www.secondchanceprogram.org/>.
- I. **Committee Updates:** Updates may be provided on the following committees:
  - 1. **Audit Committee** A Fiscal and Procurement review is taking place this week. Staff indicated there will possibly be some findings and gave the board a heads-up on the monitoring.
  - 2. **Ag Committee:** A meeting is scheduled for June 25 2:30 P.M. at Mars Hill. Ag Committee will identify at least one training for ag workers. Include this in their discussion.
  - 3. **Bylaws Committee:**The Bylaws committee meet prior to the Executive Committee meeting for the annual review. Change bylaws to reflect the new meeting location at 1161 San Felipe Road. Also updated to post the meeting location at least 72 hours in advance of the meeting. **M/S/C was action taken or need to be taken?**
  - 4. **Youth Committee:** Committee members didn't have an update.
  - 5. **Membership Committee:** The membership committee will need to meet to strategize the recruitment of new members. Previously discussed.
  - 6. **Nominating Committee:** The Nominating Committee meet just prior to the Executive Committee and the slate of officers will remain the same. Add to the July meeting for approval for the new fiscal year.
- IV. **Additional Information:**
  - A. **California Manufacturing Technology Consulting:** Kristina Chavez Wyatt will give a presentation at the July meeting.
  - B. **Sling Shot Project:** Staff indicated that the region received funding \$12,000 for tech apprenticeships to assist with costs for committees in bay area. Once programs are developed there may be funds available for a local resident. FYI only.
  - C. **Worforce program apprenticeship:** Add to next agenda.
- V. **Adjournment:** *M/S/C Kendra Bobsin/Chuck Frowein. 3:47 P.M.*

The next Full Board meeting is scheduled on July 9, 2019, at 1161 San Felipe Road, Hollister, CA 95023 at 3 P.M.



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## San Benito County Workforce Development Board (WDB)

1161 San Felipe Road, Hollister, CA 95023

October 8, 2019 @ 3:00 P.M.

### Full WDB Meeting MINUTES

FOR THE HEALTH AND SAFETY OF STAFF & GUESTS, ALL MEETINGS ARE FRAGRANCE FREE

Excused/Unexcused - Quorum Met: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>							
Representing the Private Sector (PR)			Representing the Public				
<input type="checkbox"/>	Bianchi, Richard, <i>Chair</i>	<input checked="" type="checkbox"/>	Giancola, Shelley	<input checked="" type="checkbox"/>	Alarid, Kristi	<input type="checkbox"/>	Brown, Randy
<input checked="" type="checkbox"/>	Chavez Wyatt, Kristina	<input checked="" type="checkbox"/>	Para, Karen, <i>Secretary</i>	<input type="checkbox"/>	Belton, Tracey	<input checked="" type="checkbox"/>	Gonzalez, Al Jr
<input type="checkbox"/>	Frowein, Chuck	<input type="checkbox"/>	Perez, Richard, Sr, <i>V-Chair</i>	<input checked="" type="checkbox"/>	Bobsin, Kendra, <i>Treasurer</i>	<input checked="" type="checkbox"/>	Leonard, Michelle
<input type="checkbox"/>	Giacalone, Joe	<input checked="" type="checkbox"/>	Rodriguez, Jose	<input type="checkbox"/>	Bradford, Duane	<input checked="" type="checkbox"/>	Leonor, Nelson
<b>Staff:</b>	Andi Anderson, Enrique Arreola, Megan Crable, Sylvia Jacquez, Sandra Mata, Ruby Soto						
<b>Guests:</b>	Brandon Mercado, Alexa Palmينو, Valarie Englandm, Nima Chhaym, Dave Dalhberg, Romero						

Treasurer, Kendra Bobsin, called to order at 3:05 P.M.

#### I. GENERAL INFORMATION:

- A. **Public Comment Period:** Introductions were made by everyone present. Valarie England is an interested community member and shared a story of how she helped someone who lost their housing and was able to refer them to services. Enrique thanked all of the individuals who shared their success stories as he knows it is difficult to get time to attend the meetings.
- B. **Success Stories:** Staff and/or participants will present success stories.
  1. **Brandon Mercado** shared his story of success through the WIOA program. He was unemployed for quite some time and is now working for County IT Department. What he has learned is troubleshooting, adding network systems, cloning, etc. Would definitely recommend the program to others.
  2. **Romero** currently in the wastewater program prior to this he was in HR. The facility he was working for shut down and he began to apply for other positions and was finding positions in his area of expertise required a degree. He saw a poster for the Waste Water program and decided to look into and has been enrolled for about 3 months now. Is working on industrial waste for the Cannery.
  3. **Alexa Palmينو**, was working at the hospital and by chance heard a nurse talking about services at AJCC. Enrolled in CET in Electrical Career. His motivation is his children. Working as an electrician in Monterey County on residential homes, he really likes the career and it has been very helpful.
  4. **Rene Lara** found out about the program through his mother-in-law. Enrolled in IBT for electrical training. Graduated and while going to school was working and now has 10 months experience. In one year he will receive his residential electrician card. Appreciates the opportunity to receive the training and is excited to be working locally.

#### II. Regular Agenda:



COMMUNITY ACTION BOARD & WORKFORCE Development BOARD

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- A. **Roll Call**: Roll was taken to determine excused absences for attendance requirements. Individuals who called in were excused by the chair.
- B. **Meeting Minutes: Motion/Second Concur (M/S/C)**
1. **Full WDB**: The July 9, 2019 full WDB meeting minutes approved as presented. *M/S/C Kristina Chavez Wyatt/ Nelson Leonor.*
  2. **Executive Committee**: The June 11, 2019 Ex Com minutes were enclosed for board information. There were no August and September 2019 meetings.
- III. **CONSENT AGENDA**: Items as a whole will be voted on. For any item the board wishes to discuss further, the board may request it to be pulled and placed in the Discussion/Action Items: *M/S/C Karen Para/Kristi Alarid*
- A. **Board Announcements**:
- B. **Workforce Services Directives and Information Notices**: The most recent Workforce Services Directives [WSD19-02-04](#) and Information Notices [WSIN 19-01 thru 19-09](#) are enclosed.
- C. **Unemployment**: Enclosed is the Unemployment Report for August 2019.
- D. **Lay-Off Aversion Services and Rapid Response Report**: Enclosed is the report for July and August and September 2019.
- IV. **DISCUSSION/ACTION ITEMS**:
- A. **Conflict of Interest and Code of Conduct Policy**: After review the full WDB approved the enclosed policy presented by staff. *M/S/C Karen Para/Kristina Chavez Wyatt.*
- B. **Board Membership**: Welcome new board members, Shelly Giancola and Michelle Leonard. Any applications received may be reviewed for appointment to the board. The current vacancies are: Business Representatives (2). Public, Union Rep (1).
1. **Application Received**: An application was received from Jose A. Perez Jr. to fill the Public-Union Representative vacancy of Andy Hartman. After discussion the full WDB approved the application of Jose A. Perez, Jr. which will be forwarded to the Board of Supervisors for final appointment. *M/S/C Karen Para/Kristina Chavez Wyatt*
  2. **Re-Appointments**: The terms of Karen Para, Richard Perez, Sr. and Jose Rodriguez expired on September 27, 2019 and they have agreed to continue to serve. Richard Perez has agreed to continue on the board; however, he has indicated that due to his new job he will not be able to remain on the Executive Committee. The full WDB approved the reappointments of Karen Para, Richard Perez, Sr, and Jose Rodriguez. Their reappointments will be forwarded to the BOS for final approval. *M/S/C Kristina Chavez Wyatt/Al Gonzales. Karen, Richard and Jose abstained.*
  3. **Orientation/Recruitment**: Staff and members provided an update on the orientation, which was held on August 22, 2019, to existing, new and potential members. Attached was the orientation presentation for your information. Was very informative especially for new members.
- C. **Budget Expenditure Report**: Staff distributed the present the year to date expenditure reports and explained the allocations.
- D. **California Workforce Association (CWA) Monterey Meeting of the Minds (MMM)**: Staff and board reported on the MMM Conference held September 3-5, 2019. Staff distributed a summary of session staff attended. Sylvia, Ruby, Sandra and Nelson attended. As always it was a good conference. Discussed the new department that is being created at the state level for Apprenticeship Division and Department of Industrial Relations, etc to be up and running by January 2020. Discussed the lack of data for the underemployed or those who are self-contracted: Uber, Lyft, etc. There are also a lot of people working but underpaid. The workshop were focused on gathering that data. Also attended the Virtual Reality training, for example, Law Enforcement. Lockheed also has a program for virtual precision on their technology. Based that we are able to foresee future training in 5-20 years. Instead of going to training, companies can do the training in-house. There is a huge trend for women opening

their own business. The old minority is now the majority, which was an interesting trend. Also discuss freelance and contracting positions opening up throughout the country. Nelsons take-away is How do we see SBC 5, 10, 15 etc from now. Are we prepared? He also saw that many other areas have very involved board members and it would be good to see that happen locally and that the board would become more active. Enrique stated that it may be possible to send more people next year. Ruby attended apprenticeship modules and shared how the recent trend back to them.

- E. **Prison 2 Employment (P2E) Implementation Grant:** Staff provided an update and distributed copies of a report. Discussed the collaboration with area regions and the funds received \$1.8 mil of which San Benito County will receive \$84,000. The goal is to enroll 10 clients with these funds and conduct in/post custody workshops, and 6 placed in employment services, manufacturing, building and trades. The focus is on Parolees. Also discussed were the barriers to employment. Reminder that the State has special programs and tax credits for employers who hire those with a background. In July AJCC held the 2<sup>nd</sup> Chance Seminar that shared the challenges of parolees and the importance of hiring as statistics show they are loyal and great employees.
- F. **AB 1111 Application:** Staff provided an update on Breaking Barriers to Employment application which was submitted on August 26, 2019. Still haven't heard if this has been funded. If funded, would be used to create a garden at the jail to teach horticulture as well as two community gardens.
- G. **WIOA Memorandum Of Understanding (MOU):** Staff provided an update on the submittal of the updated MOU, which was due to the State on June 30, 2019. There has been an extension until October as this item must go to the BOS. The State representative has indicated if there were substantial changes the MOU it would need to be resubmitted, however; the MOU has no significant changes and staff will submit a letter indicating that.
- H. **WDB Strategic Plan:** Discuss was holding a Strategic Planning meeting with board members. The last time a committee met was approximately 3 years ago. It is a good idea and it would be good to review what was done last time and see where the board is now. It was suggested to schedule session in January 14, 2020 at Grillin & Chillin and make it a lunch/retreat.
- I. **Committee Updates:** Updates may be provided on the following committees: Provide board members with the committee list
  1. **Bylaws Committee:** Staff will provide an update to the changes in the Bylaws. Send out final bylaws to board members.
  2. **Executive Committee:** There is a need to make changes to the committees due to Kristina Chavez Wyatt being moved from Public Sector to Private Sector. Requirement is 4 Private Sector and 3 Public Sector members to serve on this committee. Connect with regional advisor to see if slots can be modified. Nelson will check to see if he may be able to join the Ex Com. Bring back at next meeting with changes and action.
  3. **Ag Committee:** Staff and committee members may provide an update on providing Food Safety training. No update
  4. **Audit Committee** Staff and the Audit Committee did not meet on October 8, 2019; however, staff provided an update on the WIOA Section 188 Monitoring Review Final Letter and the Fiscal and Procurement Review Draft Letter received from the State. An ad hoc committee was established to recruit new members. Since the monitoring three members have been recruited 3. Still have 2 vacancies to fill. Sylvia has provided packet to \_\_\_\_\_ from Hollister super and is hopeful she will join. Should check with Marich as they are a large manufacturing firm.
  5. **Youth Committee:** No report

IV. **Additional Information:**

1. **CA Community College:** Attached was a Request for Application Memo from the CA Community Colleges to fund new and innovative apprenticeship programs. Gavilan

College along with other Community Colleges has applied for this opportunity. If Gavilan is funded AJCC will work with them to promote their apprenticeship program.

2. **California Workforce Association**: Workforce professionals training will begin in the near future. It is a one-year program for individuals already in the workforce. Upon completion staff should receive a pay increase.
  3. **CalJobs/EDD Training**: Nelson is working on a CalJobs workshop for employers to learn to navigate the system and post their vacancies. Once finalized a survey will be sent to the board members so they can provide input on what type of training the employers would like. Still will collaborate with chamber members and the San Benito County Economic Development to help promote the workshops.
  4. **Labor Market Info**. There was a Q&A of the labor market staff. Discussed the distortion of unemployment due to self-employment and that income not being reported. Discussed the advantages and disadvantages of being lumped in with larger regions in relation to agriculture.
  5. **Agriculture**: At the last CWA director meeting they announced that SBC was being recommended to be moved to another region. This is under discussion and hasn't been finalized. Has to do with commute patterns, and other statistics. Enrique hasn't been able to get ahold of anyone to get more information.
  6. **Town Hall**: A Town Hall session with Assembly member, Robert Rivas is scheduled for Thursday at San Juan Oaks for those interested in attending. Staff will forward information to the board.
- V. **Adjournment**: *M/S/C Kristina Chavez Wyatt/ Jose Rodriguez 4:40 P.M.*

The next Ex Com meeting is Nov 12, 2019 at  
AJCC 1111 San Felipe Road, Suite 107, Hollister, CA 95023

The next full WDB meeting is scheduled for January 14, 2020 at 3 P.M.,  
1161 San Felipe Road, Hollister, CA 95023

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**MEMORANDUM**

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November 8, 2019

**TO:** Workforce Development Board (WDB) Members

**FROM:** Sylvia Jacquez, Program Manager; Enrique Arreola, Deputy Director

**SUBJECT:** Summary of EDD Workforce Services Directives and Workforce Services Information Notices

**Background/Summary:** Directives provide policy and guidance regarding various Workforce Services program requirements, funding and activities for EDD Workforce Services Staff and Workforce Partners.

**Background/Summary (Information Notices):** The Employment Development Department (EDD) issues Workforce Services Information Notices (WSIN) to disseminate announcements, general information, and procedural guidance on departmental programs for EDD staff, workforce partners, stakeholders, and other individuals in the workforce development system. Through the Workforce Innovation and Opportunity Act and the Wagner-Peyser Act, the EDD administers program for veterans, youth, dislocated workers, people with disabilities; including Trade Adjustment Assistance, CalJOBS<sup>SM</sup>, employer incentives and more. Directives provide policy and guidance regarding various Workforce Services program requirements, funding, and activities for EDD Workforce Services Staff and Workforce Partners.

**Workforce Service Directives**

<a href="#"><u>WSD19-02</u></a>	WORKER DISPLACEMENT PROHIBITION EXECUTIVE SUMMARY This policy provides the guidance and establishes the procedures regarding the prohibition on the replacing of regular employees with Workforce Innovation and Opportunity Act (WIOA) participants, and against infringing on the promotional opportunities of currently employed individuals. This policy applies to Local Workforce Development Areas (Local Area) and other recipients of WIOA funds, and is effective immediately. This policy contains no state-imposed requirements. This Directive finalizes Workforce Services Draft Directive Worker Displacement Prohibition WSDD-194, issued for comment on February 1, 2019. The Workforce Development Community submitted one comment during the draft comment period. A summary of comments, including all changes, is provided as Attachment 1.
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<a href="#"><u>WSD19-03</u></a>	PERFORMANCE GUIDANCE EXECUTIVE SUMMARY This policy provides the guidance and establishes the procedures regarding the Workforce Innovation and Opportunity Act (WIOA) six primary indicators of performance. This policy applies to all Title I subrecipients, Title III staff, Jobs for Veterans State (JVSG) staff, National Dislocated Worker Grant (NDWG) project operators, and Trade Adjustment Assistance (TAA) staff, and is effective immediately. This policy contains some state-imposed requirements. All state-imposed requirements are indicated by bold, italic type. This Directive finalizes Workforce Services Draft Directive Performance Guidance for WIOA Title I and III Programs (WSDD-185), issued for comment on June 27, 2018. The Workforce Development Community submitted 74 comments during the draft comment period. A summary of comments, including all changes, is provided as Attachment 5. Retain this Directive until further notice.
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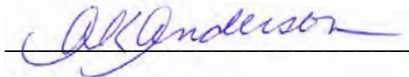
<a href="#"><u>WSD19-04</u></a>	PRIORITY OF SERVICE FOR VETERANS AND ELIGIBLE SPOUSES EXECUTIVE SUMMARY This policy provides the guidance and establishes the procedures regarding the priority of service requirement for veterans and their eligible spouses for U.S. Department of Labor (DOL) funded programs and services. This policy applies to all recipients and subrecipients of Workforce Innovation and Opportunity Act (WIOA) Title I and Title III funding and is effective immediately. This policy contains no state-imposed requirements. This Directive finalizes Workforce Services Draft Directive Priority of Service for Veterans and Eligible Spouses (WSDD-191), issued for comment on November 30, 2018. The Workforce Development Community submitted four comments during the draft comment period. A summary of comments, including all changes, is provided as Attachment 1. This policy supersedes Workforce Services Directive Final Rule on Priority of Service for Veterans and Eligible Spouses (WSD08-10), dated June 29, 2009. Retain this Directive until further notice.
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**Information Notices**

<a href="#"><u>WSIN19-10</u></a>	LOCAL BOARD COORDINATION WITH Cal OES LOCAL EMERGENCY CONTACTS Assembly Bill 2915 (Chapter 722, Statutes of 2018) requires the California Workforce Development Board to develop a policy on resource sharing agreements among Local Workforce Development Boards (Local Board) to assist them in effectively responding to natural disasters. Separate guidance on allowable uses of federal funds for disaster-related resource sharing and a resource sharing template is forthcoming. At this time, Local Boards may coordinate with the California Governor's Office of Emergency Services (Cal OES), to ensure expedited mobilization and communications
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	<p>following a catastrophic event. The Cal OES has three administrative regions charged with maintaining emergency response readiness and for organizing information and resources to ensure coordinated support for local emergency responders during a catastrophic event. Each Cal OES administrative region has an emergency services coordinator that maintains a list of local contacts for each county. Local Boards are encouraged to communicate with the coordinator in their respective administrative region and request a local contact list to establish a process for ongoing communication, discuss local workforce needs during a disaster, and determine roles and responsibilities prior to a catastrophic event. This will ensure that Local Board efforts align with existing Cal OES preparedness and disaster response systems. The Cal OES regions and respective coordinator contacts are as follows: • Inland Region: Lindsey Stanley, lindsey.stanley@caloes.ca.gov • Coastal Region: Adam Amaral, adam.amaral@caloes.ca.gov • Southern Region: Gregory McKeown, gregory.mckeown@caloes.ca.gov For questions or additional information, contact Sandra Hamameh at 1-916-657-1451 or Sandra.Hamameh@cwdb.ca.gov.</p>
<p><u>WSIN19-11</u></p>	<p><b>REGIONAL PLAN IMPLEMENTATION/SLINGSHOT 3.0 REQUEST FOR APPLICATIONS</b> The Labor and Workforce Development Agency, the California Workforce Development Board (CWDB), and the Employment Development Department, are pleased to announce up to \$5 million in Workforce Innovation and Opportunity Act Governor’s discretionary funds for Regional Plan Implementation (RPI)/Slingshot 3.0. These funds will support the implementation of the Regional Workforce Plans for the fourteen (14) Regional Planning Units (RPU) in California and their efforts to develop regional leadership, and organize regional industry leaders and workforce, education, and economic development partners to attain scale and impact. All 14 RPUs in California are eligible to apply. Each RPU must designate one Local Workforce Development Board as the applicant and lead fiscal agent with signature proof of agreement included in the application. Only one application may be submitted from each RPU. All Applications must be received by 3:00 p.m. PST on November 25, 2019. An application webinar is scheduled for October 22, 2019 from 9-10 a.m. PST. For more information on this funding opportunity and its requirements, please refer to the RPI/Slingshot 3.0 Request for Applications on the CWDB’s webpage.</p>
<p><u>WSIN19-12</u></p>	<p><b>VETERANS’ EMPLOYMENT-RELATED ASSISTANCE PROGRAM – SFP 2019-20</b> The Employment Development Department (EDD), in coordination with the California Workforce Development Board and the California Labor and Workforce Development Agency, announces the availability of up to \$5 million of Workforce Innovation and Opportunity Act (WIOA) funds in a Veterans’ Employment-Related Assistance Program (VEAP) Solicitation for Proposals (SFP). The goal of this initiative is to promote the use of regional industry-sector strategies as the framework to help unemployed and underemployed veterans with significant barriers and military spouses to employment transition from military careers to rewarding civilian employment. Eligible applicants include public and private non-profit organizations, private for-profit organizations, Local Workforce Development Areas (Local Areas), education and training providers, Non-local areas, and faith-based organizations. Individuals are not eligible to apply. The VEAP SFP requires a local WIOA partnership/collaboration including, but not limited to, (1) WIOA Title 1 Local Area, (2) Wagner–Peyser, and (3) the local EDD Jobs for Veterans State Grant (JVSG) Program Staff. Applicants must demonstrate an existing high level of collaboration or formalized linkages that are in the process of being established. Organizations that were awarded VEAP Program Year (PY) 2018-19 funds are not eligible to apply for VEAP PY 19-20. Proposal applications must be received no later than Friday, December 6, 2019 before 3:00 pm PST. Questions regarding the SFP will be accepted until Friday, November 8, 2019. Questions can be emailed to WSBSFP3@edd.ca.gov. To view this SFP, please visit the Workforce Development SFP webpage.</p>
<p><u>WSIN19-13</u></p>	<p><b>DISABILITY EMPLOYMENT ACCELERATOR – SFP 2019-20</b> The Employment Development Department, in coordination with the California Workforce Development Board and the Labor and Workforce Development Agency, announces a Solicitation for Proposals (SFP) for a Disability Employment Accelerator (DEA) program. This SFP makes available \$2 million of Workforce Innovation and Opportunity Act Title I Governor’s Discretionary funds for this program. The DEA program will focus on creating linkages and engaging businesses in high-growth industries to develop work-based learning programs that ensure People with Disabilities (PWD) obtain and retain competitive, integrated employment. In order to continue to close the employment rate gap between college graduates with disabilities and those without disabilities, this year’s SFP target PWD who are working toward or have obtained a recognized postsecondary credential during the term of the grant. The 2019-20 DEA’s focus is on completion of work-based learning programs which supplements formal education so that the disabled workers can be placed in unsubsidized employment on a career path. Eligible applicants are Local Workforce Development Areas, education and training providers, private non-profit organizations, private for-profit organizations, and faith and/or communitybased organizations seeking innovative ways to strengthen business partnerships around indemand jobs. Individuals are not eligible to apply. Proposals must be received by Monday, December 2, 2019, no</p>

	later than 3 p.m. PT. An informational teleconference will be held on Tuesday, November 12, 2019, at 9 a.m. PT. For call-in information, please email a request to EDDWSBSFP2@edd.ca.gov by 12 noon on Friday, November 8, 2019. To view this SFP, please visit the EDD Workforce Development Solicitations for Proposals webpage.
WSIN19-14	NEW STATE-IMPOSED CALJOBS DEMOGRAPHIC DATA COLLECTION Assembly Bill (AB) 677 requires the Employment Development Department (EDD) to collect voluntary self-identification data about sexual orientation and gender identity when collecting demographic data. Beginning November 22, 2019, America's Job Center of CaliforniaSM (AJCC) staff and customers will see changes in the CalJOBSSM individual registration process to collect new demographic questions about sex orientation and gender identity. The Statewide Training Unit will be hosting webinars in November to provide information to AJCC staff regarding the state law, the new demographic questions in CalJOBS, and the best practices for staff when asking about sensitive personal information. Specific training dates and times will be communicated by the Statewide Training Unit.



Enrique Arreola, Deputy Director  
San Benito County Workforce Development Board (WDB)

**11/8/19**

Date

**REPORT 400 C**  
**Monthly Labor Force Data for Counties**  
**September 2019 - Preliminary**  
 Data Not Seasonally Adjusted

COUNTY	RANK BY RATE	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
<b>STATE TOTAL</b>	---	<b>19,564,900</b>	<b>18,876,300</b>	<b>688,600</b>	<b>3.5%</b>
ALAMEDA	9	860,200	838,900	21,300	2.5%
ALPINE	45	480	460	20	4.6%
AMADOR	19	15,190	14,740	450	3.0%
BUTTE	34	103,900	100,100	3,800	3.7%
CALAVERAS	19	21,660	21,010	640	3.0%
COLUSA	56	11,050	10,310	730	6.6%
CONTRA COSTA	10	571,800	557,200	14,700	2.6%
DEL NORTE	43	9,910	9,460	450	4.5%
EL DORADO	16	92,300	89,700	2,600	2.8%
FRESNO	52	456,000	431,700	24,300	5.3%
GLENN	41	13,190	12,600	580	4.4%
HUMBOLDT	13	64,200	62,400	1,800	2.7%
IMPERIAL	58	72,700	57,700	15,100	20.7%
INYO	13	8,860	8,630	240	2.7%
KERN	55	392,400	368,900	23,500	6.0%
KINGS	54	57,900	54,600	3,300	5.7%
LAKE	34	29,950	28,850	1,100	3.7%
LASSEN	28	10,010	9,690	330	3.3%
LOS ANGELES	43	5,140,600	4,911,800	228,800	4.5%
MADERA	51	62,600	59,500	3,200	5.0%
MARIN	3	143,100	140,400	2,700	1.9%
MARIPOSA	19	8,160	7,920	240	3.0%
MENDOCINO	18	39,760	38,600	1,160	2.9%
MERCED	53	118,500	111,900	6,500	5.5%
MODOC	41	3,220	3,070	140	4.4%
MONO	19	8,780	8,510	260	3.0%
MONTEREY	28	232,000	224,300	7,700	3.3%
NAPA	5	76,100	74,400	1,600	2.2%
NEVADA	10	48,730	47,440	1,290	2.6%
ORANGE	7	1,631,900	1,592,800	39,100	2.4%
PLACER	10	187,200	182,300	4,900	2.6%
PLUMAS	45	8,010	7,640	370	4.6%
RIVERSIDE	38	1,103,200	1,061,400	41,800	3.8%
SACRAMENTO	23	717,000	695,000	22,000	3.1%
SAN BENITO	34	31,200	30,100	1,100	3.7%
SAN BERNARDINO	28	970,700	938,600	32,100	3.3%
SAN DIEGO	13	1,608,100	1,564,800	43,400	2.7%
SAN FRANCISCO	2	591,400	580,800	10,700	1.8%
SAN JOAQUIN	48	326,700	311,500	15,200	4.7%
SAN LUIS OBISPO	7	140,200	136,900	3,300	2.4%
SAN MATEO	1	467,300	459,300	8,000	1.7%
SANTA BARBARA	16	218,100	211,900	6,100	2.8%
SANTA CLARA	4	1,071,800	1,049,100	22,700	2.1%
SANTA CRUZ	23	143,300	138,800	4,500	3.1%
SHASTA	32	74,200	71,500	2,600	3.5%
SIERRA	32	1,410	1,360	50	3.5%
SISKIYOU	40	17,740	16,980	760	4.3%
SOLANO	23	208,400	202,000	6,400	3.1%
SONOMA	5	266,300	260,600	5,700	2.2%
STANISLAUS	45	244,800	233,400	11,300	4.6%
SUTTER	50	45,800	43,500	2,200	4.9%
TEHAMA	39	26,200	25,110	1,090	4.2%
TRINITY	34	4,780	4,600	180	3.7%
TULARE	57	204,500	189,000	15,500	7.6%
TUOLUMNE	31	21,780	21,040	740	3.4%
VENTURA	27	421,100	407,800	13,300	3.2%
YOLO	23	109,300	106,000	3,400	3.1%
YUBA	49	29,300	27,900	1,400	4.8%

**Notes**

1) Data may not add due to rounding. The unemployment rate is calculated using unrounded data.

2) Labor force data for all geographic areas now reflect the March 2018 benchmark and Census 2010 population controls at the state level.

Data Not Seasonally Adjusted

	Sep 18	Jul 19	Aug 19	Sep 19	Percent Change	
			Revised	Prelim	Month	Year
Civilian Labor Force (1)	1,083,700	1,095,600	1,096,700	1,103,000	0.6%	1.8%
Civilian Employment	1,056,800	1,064,500	1,067,400	1,079,200	1.1%	2.1%
Civilian Unemployment	26,900	31,100	29,400	23,900	-18.7%	-11.2%
Civilian Unemployment Rate	2.5%	2.8%	2.7%	2.2%		
(CA Unemployment Rate)	3.9%	4.5%	4.2%	3.5%		
(U.S. Unemployment Rate)	3.6%	4.0%	3.8%	3.3%		
<b>Total, All Industries (2)</b>	<b>1,132,500</b>	<b>1,161,700</b>	<b>1,168,100</b>	<b>1,165,700</b>	<b>-0.2%</b>	<b>2.9%</b>
Total Farm	6,500	5,900	6,100	6,100	0.0%	-6.2%
Total Nonfarm	1,126,000	1,155,800	1,162,000	1,159,600	-0.2%	3.0%
Total Private	1,031,000	1,063,600	1,065,100	1,058,700	-0.6%	2.7%
Goods Producing	224,400	231,500	231,400	230,300	-0.5%	2.6%
Mining, Logging, and Construction	50,600	50,800	51,000	50,200	-1.6%	-0.8%
Mining and Logging	200	200	200	200	0.0%	0.0%
Construction	50,400	50,600	50,800	50,000	-1.6%	-0.8%
Specialty Trade Contractors	36,200	37,200	37,200	36,400	-2.2%	0.6%
Building Equipment Contractors	16,600	17,500	17,400	17,400	0.0%	4.8%
Manufacturing	173,800	180,700	180,400	180,100	-0.2%	3.6%
Durable Goods	159,700	167,000	166,300	165,900	-0.2%	3.9%
Machinery Manufacturing	10,600	11,000	11,100	11,100	0.0%	4.7%
Computer & Electronic Product Manufacturing	119,200	125,000	124,400	124,100	-0.2%	4.1%
Computer & Peripheral Equipment Manufact	54,600	58,200	58,500	58,600	0.2%	7.3%
Electronic Computer Manufacturing	51,800	55,100	55,000	55,100	0.2%	6.4%
Semiconductor & Electronic Component Mfg	41,600	42,200	41,800	41,200	-1.4%	-1.0%
Bare Printed Circuit Board Manufacturing	3,900	4,000	4,100	4,100	0.0%	5.1%
Semiconductor & Related Devices Manufac	29,000	29,400	28,900	28,400	-1.7%	-2.1%
Electronic Instrument Manufacturing	15,200	16,000	16,100	16,100	0.0%	5.9%
Transportation Equipment Manufacturing	5,900	6,100	6,100	6,100	0.0%	3.4%
Aerospace Product & Parts Manufacturing	4,600	4,500	4,500	4,500	0.0%	-2.2%
Nondurable Goods	14,100	13,700	14,100	14,200	0.7%	0.7%
Service Providing	901,600	924,300	930,600	929,300	-0.1%	3.1%
Private Service Providing	806,600	832,100	833,700	828,400	-0.6%	2.7%
Trade, Transportation & Utilities	133,200	133,900	133,600	133,400	-0.1%	0.2%
Wholesale Trade	31,500	32,100	31,900	31,900	0.0%	1.3%
Merchant Wholesalers, Durable Goods	22,500	22,500	22,500	22,500	0.0%	0.0%
Retail Trade	85,500	86,600	86,400	86,400	0.0%	1.1%
Electronics & Appliance Stores	4,400	4,500	4,500	4,400	-2.2%	0.0%
Building Material & Garden Equipment Stores	5,800	5,800	5,700	5,700	0.0%	-1.7%
Food & Beverage Stores	17,400	17,800	17,900	17,900	0.0%	2.9%
Health & Personal Care Stores	5,000	4,900	4,900	4,900	0.0%	-2.0%
Clothing & Clothing Accessories Stores	11,400	11,600	11,600	11,200	-3.4%	-1.8%
General Merchandise Stores	14,400	14,400	14,500	14,600	0.7%	1.4%
Transportation, Warehousing & Utilities	16,200	15,200	15,300	15,100	-1.3%	-6.8%
Transportation & Warehousing	14,500	13,400	13,600	13,300	-2.2%	-8.3%
Couriers & Messengers	3,900	3,500	3,600	3,500	-2.8%	-10.3%
Information	93,500	102,600	103,200	101,300	-1.8%	8.3%
Publishing Industries (except Internet)	25,900	27,400	27,600	27,700	0.4%	6.9%
Telecommunications	5,200	5,400	5,400	5,300	-1.9%	1.9%
Financial Activities	37,000	38,600	38,300	37,900	-1.0%	2.4%
Finance & Insurance	21,600	22,700	22,600	22,300	-1.3%	3.2%
Credit Intermediation & Related Activities	12,100	12,500	12,400	12,400	0.0%	2.5%
Real Estate & Rental & Leasing	15,400	15,900	15,700	15,600	-0.6%	1.3%
Real Estate	12,500	12,900	12,800	12,700	-0.8%	1.6%
Professional & Business Services	237,200	245,400	246,800	246,700	0.0%	4.0%
Professional, Scientific & Technical Services	155,000	162,500	162,900	162,100	-0.5%	4.6%
Architectural, Engineering & Related Services	17,600	18,600	18,600	18,400	-1.1%	4.5%
Computer Systems Design & Related Services	83,100	86,900	87,300	86,500	-0.9%	4.1%
Scientific Research & Development Services	19,000	20,400	20,200	20,000	-1.0%	5.3%

Data Not Seasonally Adjusted

	Sep 18	Jul 19	Aug 19	Sep 19	Percent Change	
			Revised	Prelim	Month	Year
Management of Companies & Enterprises	19,200	19,200	19,100	19,100	0.0%	-0.5%
Administrative & Support & Waste Services	63,000	63,700	64,800	65,500	1.1%	4.0%
Administrative & Support Services	60,000	60,500	61,800	62,500	1.1%	4.2%
Employment Services	23,900	22,900	23,600	24,100	2.1%	0.8%
Educational & Health Services	170,200	174,300	175,200	172,400	-1.6%	1.3%
Educational Services	44,300	46,100	46,700	44,300	-5.1%	0.0%
Colleges, Universities & Professional Schools	27,800	30,300	30,100	28,500	-5.3%	2.5%
Health Care & Social Assistance	125,900	128,200	128,500	128,100	-0.3%	1.7%
Ambulatory Health Care Services	41,300	41,400	41,600	41,600	0.0%	0.7%
Hospitals	29,600	30,600	30,700	30,500	-0.7%	3.0%
Nursing & Residential Care Facilities	13,800	13,800	13,800	13,700	-0.7%	-0.7%
Social Assistance	41,200	42,400	42,400	42,300	-0.2%	2.7%
Leisure & Hospitality	106,700	108,000	107,700	107,700	0.0%	0.9%
Accommodation & Food Services	90,800	91,300	91,200	90,800	-0.4%	0.0%
Accommodation	9,400	9,900	9,900	9,700	-2.0%	3.2%
Food Services & Drinking Places	81,400	81,400	81,300	81,100	-0.2%	-0.4%
Restaurants	68,000	70,300	70,000	69,600	-0.6%	2.4%
Other Services	28,800	29,300	28,900	29,000	0.3%	0.7%
Government	95,000	92,200	96,900	100,900	4.1%	6.2%
Federal Government	9,900	10,000	10,100	10,100	0.0%	2.0%
Department of Defense	700	700	700	700	0.0%	0.0%
State & Local Government	85,100	82,200	86,800	90,800	4.6%	6.7%
State Government	7,000	6,400	6,300	7,100	12.7%	1.4%
State Government Education	5,000	4,400	4,300	5,100	18.6%	2.0%
State Government Excluding Education	2,000	2,000	2,000	2,000	0.0%	0.0%
Local Government	78,100	75,800	80,500	83,700	4.0%	7.2%
Local Government Education	39,300	35,400	39,900	43,600	9.3%	10.9%
Local Government Excluding Education	38,800	40,400	40,600	40,100	-1.2%	3.4%
County	20,300	21,300	21,500	21,400	-0.5%	5.4%
City	13,700	14,300	14,400	14,100	-2.1%	2.9%
Special Districts plus Indian Tribes	4,800	4,800	4,700	4,600	-2.1%	-4.2%

**Notes:**

(1) Civilian labor force data are by place of residence; include self-employed individuals, unpaid family workers, household domestic workers, & workers on strike. Data may not add due to rounding. The unemployment rate is calculated using unrounded data.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, & workers on strike. Data may not add due to rounding.

These data are produced by the Labor Market Information Division of the California Employment Development Department (EDD). Questions should be directed to: Nima Chhay 408-216-6183 or Amanda Ha 415-749-2002

These data, as well as other labor market data, are available via the Internet at <http://www.labormarketinfo.edd.ca.gov>. If you need assistance, please call (916) 262-2162.

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EMPLOYMENT DEVELOPMENT DEPARTMENT  
Labor Market Information Division  
1901 Zanker Road  
San Jose, CA 95112

Contact: Nima Chhay  
(408) 216-6183

**SAN JOSE-SUNNYVALE-SANTA CLARA METROPOLITAN STATISTICAL AREA (MSA)  
(SAN BENITO AND SANTA CLARA COUNTIES)  
Major industries seasonally trimmed employment**

The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 2.2 percent in September 2019, down from a revised 2.7 percent in August 2019, and below the year-ago estimate of 2.5 percent. This compares with an unadjusted unemployment rate of 3.5 percent for California and 3.3 percent for the nation during the same period. The unemployment rate was 3.7 percent in San Benito County, and 2.1 percent in Santa Clara County.

**Between August 2019 and September 2019**, total employment in the San Jose-Sunnyvale-Santa Clara MSA, which also includes San Benito County, declined by 2,400 jobs to reach 1,165,700.

- Private educational and health services (down 2,800 jobs) continued to trim jobs seasonally, mostly in private educational services (down 2,400 jobs).
- Information lost 1,900 jobs for the month, following a similar pattern to last year.
- Construction decreased payrolls by 800 jobs, with employment losses coming from specialty trade contractors (down 800 jobs).
- Government reported seasonal growth of 4,000 jobs. Local government educational services (up 3,700 jobs) contributed to most of the hiring for the new school year.

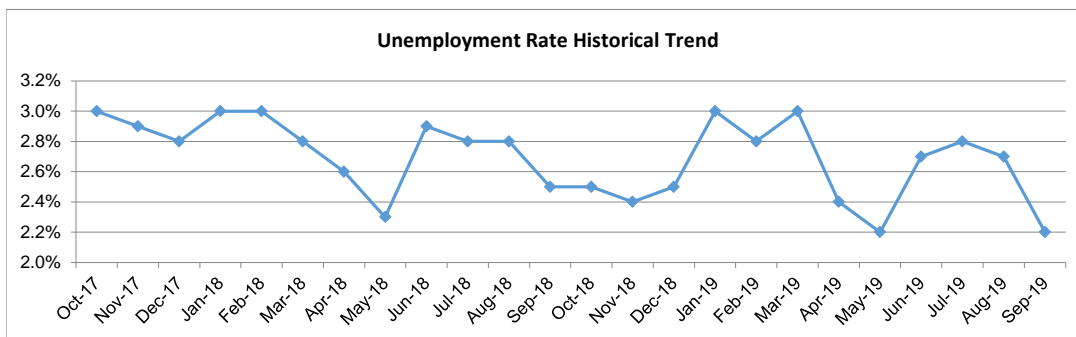
**Between September 2018 and September 2019**, combined employment in the South Bay counties of San Benito and Santa Clara, expanded by 33,200 jobs, or 2.9 percent.

- Professional and business services gained 9,500 jobs, with professional, scientific, and technical services (up 7,100 jobs) driving the job surge.
- Information (up 7,800 jobs), manufacturing (up 6,300 jobs), and government (up 5,900 jobs) expanded employment.
- Private educational and health services rose by 2,200 jobs. Health care and social assistance both added 1,100 jobs each.
- Leisure and hospitality logged an addition of 1,000 jobs.

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IMMEDIATE RELEASE  
 SAN JOSE-SUNNYVALE-SANTA CLARA METROPOLITAN STATISTICAL AREA (MSA)  
 (San Benito and Santa Clara Counties)

The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 2.2 percent in September 2019, down from a revised 2.7 percent in August 2019, and below the year-ago estimate of 2.5 percent. This compares with an unadjusted unemployment rate of 3.5 percent for California and 3.3 percent for the nation during the same period. The unemployment rate was 3.7 percent in San Benito County, and 2.1 percent in Santa Clara County.



Industry	Aug-2019	Sep-2019	Change		Sep-2018	Sep-2019	Change
	Revised	Prelim				Prelim	
Total, All Industries	1,168,100	1,165,700	(2,400)		1,132,500	1,165,700	33,200
Total Farm	6,100	6,100	0		6,500	6,100	(400)
Total Nonfarm	1,162,000	1,159,600	(2,400)		1,126,000	1,159,600	33,600
Mining, Logging, and Construction	51,000	50,200	(800)		50,600	50,200	(400)
Mining and Logging	200	200	0		200	200	0
Construction	50,800	50,000	(800)		50,400	50,000	(400)
Manufacturing	180,400	180,100	(300)		173,800	180,100	6,300
Trade, Transportation & Utilities	133,600	133,400	(200)		133,200	133,400	200
Information	103,200	101,300	(1,900)		93,500	101,300	7,800
Financial Activities	38,300	37,900	(400)		37,000	37,900	900
Professional & Business Services	246,800	246,700	(100)		237,200	246,700	9,500
Educational & Health Services	175,200	172,400	(2,800)		170,200	172,400	2,200
Leisure & Hospitality	107,700	107,700	0		106,700	107,700	1,000
Other Services	28,900	29,000	100		28,800	29,000	200
Government	96,900	100,900	4,000		95,000	100,900	5,900

Notes: Data not adjusted for seasonality. Data may not add due to rounding  
 Labor force data are revised month to month  
 Additional data are available on line at [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

EXPENSES THROUGH SEPT 2019

K9110049

L/O AVSN 292 & 293 (\$4,919 & 19,353)		\$ 24,272.00
	Exp. \$ thru SEPT	Unspent Bal.
Program	\$ 24,272.00	\$ -
Total	\$ 24,272.00	\$ -

ADULT 201/2 (31,428) & 202 (197,541 )		\$ 228,969.00
	Exp. \$ thru SEPT	
Core Reg	\$ 18,535.00	73%
Intensive	\$ 15,578.00	
Other - Training	\$ 4,280.00	
Supp. Svcs.	\$ 4,460.00	
Other	\$ 651.00	
ITA - Training	\$ 77,227.00	
OJT - Training	\$ 88,946.00	
Admin	\$ 19,292.00	
Total	\$ 228,969.00	

WIA YOUTH 301		\$ 206,274.00
	Exp. \$ thru SEPT	
In-School	\$ 153.00	
Out of School	\$ 131,771.00	
Youth In School	\$ -	
Youth Out of School	\$ 13,311.00	
Admin	\$ 20,627.00	
Total	\$ 165,862.00	

D.W. 501/2 (36,686) & (144,442 )		\$ 181,128.00
	Exp. \$ thru SEPT	
Core Reg.	\$ 24,145.00	23%
Intensive	\$ 49,418.00	
Other - Training	\$ 49,891.00	
Supp. Svcs.	\$ 226.00	
Other	\$ 2,909.00	
ITA - Training	\$ 37,803.00	
OJT - Training		
Admin	\$ 16,736.00	
Total	\$ 181,128.00	\$ -

R.R. 540/1 (17,441) & 541 ( 86,655 )		\$ 104,096.00
	Exp. \$ thru SEPT	
Other	\$ 104,096.00	
Total	\$ 104,096.00	\$ -

CalWorks ESE		\$ 493,829.00
	Exp. \$ thru SEPT	Unspent Bal.
Work Exp. Salaries	\$ 63,000.00	
Work Exp. Soc. Sec.	\$ 3,906.00	
Work Exp. Medicare	\$ 914.00	
Work Exp. Wire Fee	\$ 55.00	
Clothing Assist.	\$ -	
Mileage	\$ 181.00	
Veh. Repair	\$ -	
Supp. Svcs./Tuition	\$ -	
CSWD Charge	\$ -	
CSWD Charge	\$ 8,988.00	
Total	\$ 77,044.00	\$ 416,785.00

CalWorks ESE		\$ 50,000.00
	Exp. \$ thru SEPT	
GAV - WES	\$ 5,368.41	
Total	\$ 5,368.41	\$ 44,631.59

AA011029

L/O AVERSION 292 (6,092) & 293 ( )		\$ 6,092.00
	Exp. \$ thru SEPT	Unspent Bal.
Program	\$ 203.00	\$ 5,889.00
Total	\$ 203.00	\$ 5,889.00

ADULT 201/2 (32,039) & (0)		\$ 32,039.00
	Exp. \$ thru SEPT	
Core Reg	\$ 8,125.00	4%
Intensive	\$ 2,940.00	
Other - Training	\$ -	
Supp. Svcs.	\$ 226.00	
Other	\$ -	
ITA - Training	\$ 502.00	
OJT - Training	\$ -	
Admin	\$ 3,203.00	
Total	\$ 14,996.00	

WIA YOUTH 301		\$ 209,597.00
	Exp. \$ thru SEPT	
In-School	\$ -	0%
Out of School	\$ 10,663.00	
Youth In School	\$ -	
Youth Out of School	\$ -	
Admin	\$ 2,192.00	
Total	\$ 12,855.00	

D.W. 501/2 (34,617) & (0)		\$ 34,617.00
	Exp. \$ thru SEPT	
Core Reg	\$ 3,723.00	37%
Intensive	\$ 7,733.00	
Other - Training	\$ 10,797.00	
Supp. Svcs.	\$ 709.00	
Other	\$ -	
ITA - Training	\$ -	
OJT - Training	\$ 11,655.00	
Admin	\$ -	
Total	\$ 34,617.00	\$ -

R.R. 540/1 (24,128) & 541 (0)		\$ 24,128.00
	Exp. \$ thru SEPT	
Other	\$ 24,128.00	
Total	\$ 24,128.00	\$ -

PROP 39		\$ 40,225.00	
	Budget	Exp. \$ thru SEPT	Unspent Bal.
Admin S&B	\$ 2,522.50	\$ -	\$ 2,522.50
Program Sal.	\$ 18,495.00	\$ 13,724.00	\$ 4,771.00
Program Ben.	\$ 385.00	\$ 3,476.00	\$ (3,091.00)
Travel	\$ 333.00	\$ 333.00	\$ -
Tools & Supp.	\$ -	\$ -	\$ -
Op. Costs	\$ -	\$ -	\$ -
Total	\$ 21,735.50	\$ 17,533.00	\$ 4,202.50

SLINGSHOT, REGIONAL TRAINING & P2E		\$ 49,084.00	
	Budget	Exp. \$ thru SEPT	Unspent Bal.
Slingshot Salaries	\$ 6,280.00	\$ 125.00	\$ 6,155.00
Slingshot Benefits	\$ 3,140.00	\$ 37.00	\$ 3,103.00
Slingshot Travel	\$ 1,001.00	\$ -	\$ 1,001.00
Regional Training	\$ 15,000.00	\$ 4,346.00	\$ 10,654.00
P2E Salaries	\$ 15,009.00	\$ 15,224.38	\$ (215.38)
P2E Benefits	\$ 6,004.00	\$ 3,488.00	\$ 2,516.00
P2E Travel	\$ 850.00	\$ -	\$ 850.00
P2E Op. Exp.	\$ 1,200.00	\$ 1,200.00	\$ -
P2E Emp. Engagmt	\$ 1,500.00	\$ 1,304.00	\$ 196.00
Total	\$ 49,984.00	\$ 25,724.38	\$ 24,259.62

**EXPENSES THROUGH SEPT 2019**

**K9110049**

<b>L/O AVSN 292 &amp; 293 (\$4,919 &amp; 19,353)</b>		<b>\$ 24,272.00</b>
	<b>Exp. \$ thru SEPT</b>	<b>Unspent Bal.</b>
<b>Program</b>	\$ 24,272.00	\$ -
<b>Total</b>	\$ 24,272.00	\$ -

<b>ADULT 201/2 (31,428) &amp; 202 (197,541)</b>		<b>\$ 228,969.00</b>
	<b>Exp. \$ thru SEPT</b>	
<b>Core Reg</b>	\$ 18,535.00	
<b>Intensive</b>	\$ 15,578.00	
<b>Other - Training</b>	\$ 4,280.00	
<b>Supp. Svcs.</b>	\$ 4,460.00	
<b>Other</b>	\$ 651.00	
<b>ITA - Training</b>	\$ 77,227.00	
<b>OJT - Training</b>	\$ 88,946.00	
<b>Admin</b>	\$ 19,292.00	
<b>Total</b>	\$ 228,969.00	\$ -

<b>WIA YOUTH 301</b>		<b>\$ 206,274.00</b>
	<b>Exp. \$ thru SEPT</b>	
<b>In-School</b>	\$ 153.00	
<b>Out of School</b>	\$ 131,771.00	
<b>Youth In School</b>	\$ -	
<b>Youth Out of School</b>	\$ 13,311.00	
<b>Admin</b>	\$ 20,627.00	
<b>Total</b>	\$ 165,862.00	\$ 40,412.00

<b>D.W. 501/2 (36,686) &amp; (144,442)</b>		<b>\$ 181,128.00</b>
	<b>Exp. \$ thru SEPT</b>	
<b>Core Reg</b>	\$ 24,145.00	
<b>Intensive</b>	\$ 49,418.00	
<b>Other - Training</b>	\$ 49,891.00	
<b>Supp. Svcs.</b>	\$ 226.00	
<b>Other</b>	\$ 2,909.00	
<b>ITA - Training</b>	\$ 37,803.00	
<b>OJT - Training</b>	\$ -	
<b>Admin</b>	\$ 16,736.00	
<b>Total</b>	\$ 181,128.00	\$ -

<b>R.R. 540/1 (17,441) &amp; 541 ( 86,655)</b>		<b>\$ 104,096.00</b>
	<b>Exp. \$ thru SEPT</b>	
<b>Other</b>	\$ 104,096.00	
<b>Total</b>	\$ 104,096.00	\$ -

<b>Allocation</b>		
<b>ADULT 201</b>	\$ 31,428.00	
<b>ADULT 202</b>	\$ 167,038.00	
<b>D.W. 501</b>	\$ 36,686.00	
<b>D.W. 502</b>	\$ 173,919.00	
<b>Subtotal</b>	\$ 409,071.00	
	\$ -	
<b>Total Adlt/DW less Admn.</b>	\$ 409,071.00	
<b>YTD Training thru Apr 2019</b>	\$ 203,976.00	<b>50%</b>

**\*\*SBCWDB is not using Leveraged Resources during PY 2018-19 to meet minimum training requirement**

<b>Allocation</b>		
<b>Youth 301</b>	\$ 206,274.00	
<b>Subtotal</b>	\$ 206,274.00	
<b>Total Youth less Admn.</b>	\$ 206,274.00	
<b>YTD Training thru Apr 2019</b>	\$ 13,311.00	<b>6%</b>

**\*\*SBCWDB is not using Leveraged Resources during PY 2018-19 to meet minimum training requirement**

**EXPENSES THROUGH SEPT 2019**

AA011029		
L/O AVERSION 292 (6,092) & 293 ()		\$ 6,092.00
	Exp. \$ thru SEPT	Unspent Bal.
Program	\$ 203.00	\$ 5,889.00
<b>Total</b>	<b>\$ 203.00</b>	<b>\$ 5,889.00</b>

<b>ADULT 201/2 (32,039) &amp;(0)</b>		<b>\$ 32,039.00</b>
	Exp. \$ thru SEPT	
Core Reg	\$ 8,125.00	
Intensive	\$ 2,940.00	
Other - Training	\$ -	
Supp. Svcs.	\$ 226.00	
Other	\$ -	
ITA - Training	\$ 502.00	
OJT - Training	\$ -	
Admin	\$ 3,203.00	
<b>Total</b>	<b>\$ 14,996.00</b>	<b>\$ 17,043.00</b>

<b>WIA YOUTH 301</b>		<b>\$ 209,597.00</b>
	Exp. \$ thru SEPT	
In-School	\$ -	
Out of School	\$ 10,663.00	
Youth In School	\$ -	
Youth Out of S	\$ -	
Admin	\$ 2,192.00	
<b>Total</b>	<b>\$ 12,855.00</b>	<b>\$ 196,742.00</b>

1537

<b>D.W. 501/2 (33,749) &amp; (179,820)</b>		<b>\$ 34,617.00</b>
	Exp. \$ thru SEPT	
Core Reg	\$ 3,723.00	
Intensive	\$ 7,733.00	
Other - Training	\$ 10,797.00	
Supp. Svcs.	\$ 709.00	
Other	\$ -	
ITA - Training	\$ -	
OJT - Training	\$ 11,655.00	
Admin	\$ -	
<b>Total</b>	<b>\$ 34,617.00</b>	<b>\$ -</b>

<b>R.R. 540/1 (24,128) &amp; 541 (0)</b>		<b>\$ 24,128.00</b>
	Exp. \$ thru SEPT	
Other	\$ 24,128.00	
<b>Total</b>	<b>\$ 24,128.00</b>	<b>\$ -</b>

Allocation		
ADULT 201	\$ 32,039.00	
ADULT 202	\$ -	
D.W. 501	\$ 34,617.00	
D.W. 502	\$ -	
Subtotal	\$ 66,656.00	
	\$ -	
Total Adlt/DW less Admn.	\$ 66,656.00	
<b>YTD Training thru April 2019</b>	<b>\$ 12,157.00</b>	<b>18%</b>

**\*\*SBCWDB is not using Leveraged Resources during PY 2017-18 to meet minimum training requirement**

Allocation		
Youth 301	\$ 209,597.00	
Subtotal	\$ 209,597.00	
Total Youth less Admn.	\$ 209,597.00	
<b>YTD Training thru April 2019</b>	<b>\$ -</b>	<b>0%</b>

**\*\*SBCWDB is not using Leveraged Resources during PY 2017-18 to meet minimum training requirement**



September 18, 2019

Mr. Enrique Arreola, Deputy Director  
San Benito County Workforce Development Board  
1111 San Felipe Road, Suite 108  
Hollister, CA 95023

## PROGRAM MONITORING REVIEW ENGAGEMENT LETTER

Dear Mr. Arreola:

This letter is to confirm that the Employment Development Department, Compliance Review Office (CRO) will conduct an on-site monitoring review in Program Year **(PY) 2019-20** of the San Benito County Workforce Development Board's (SBCWDB) program activities associated with the Workforce Innovation and Opportunity Act (WIOA). The purpose of this review is to determine SBCWDB's compliance with applicable federal and state laws, regulations, and policies specific to program operations and systems related to WIOA. The compliance monitoring review will be conducted under the authority of WIOA Sections 183(a) and 184(a)(4).

As discussed with you on September 17, 2019:

- On-site review is scheduled **January 21, 2020, through January 24, 2020.**
- On-site review will be conducted by Ms. Mechelle Hayes. At some point in the review, a supervisor may accompany staff.
- Entrance conference will be **held on January 21, 2020, at 1:30 pm.**

The scope of this review will cover the period of September 1, 2017, through August 31, 2019. However, if potential significant compliance issues are identified during the course of the review, the timeframe may be extended.

Additionally, our on-site review will consist of interviews with SBCWDB staff; training and service provider staff, and participants; a review of selected participant case files; and a review of policies and procedures pertaining to youth program operations. Prior to the on-site review, a desk review will be conducted by the CRO.

For the desk review, it is necessary for the CRO to receive requested documents timely as they will be reviewed prior to, and in preparation of, the on-site review. Timely receipt of the requested documents will ensure that the on-site review will be performed in an efficient and effective manner. Please provide copies of all requested documents to [PACBCROComplianceMonitors@edd.ca.gov](mailto:PACBCROComplianceMonitors@edd.ca.gov) via email by the date specified below.

Mr. Enrique Arreola  
September 18, 2019  
Page 2

By December 11, 2019, please return the documents below.

**Attachment 1:** Program Administration Questionnaire

**Attachment 2:** Program Operations Questionnaire

**Attachment 3:** America's Job Center of California<sup>SM</sup> (AJCC) Information

**Attachment 4:** LWDA Contact Information & Document Checklist

**Policies and Procedures**

1. Youth eligibility determination
2. Personally Identifiable Information (PII)
3. Grievance and Complaint
4. Incident Reporting
5. Conflict of Interest
6. Career Services
7. Youth Services
8. Supportive Services
9. Needs-Related Payments
10. Incentive/Stipends
11. Follow-up Services
12. Oversight and Monitoring of Providers (including PII, sensitive, and confidential information)
13. Selective Services
14. Training
  - a. Registered Apprenticeship
  - b. On-the-Job
  - c. Incumbent Worker
  - d. Transitional Jobs
  - e. Occupational Classroom
  - f. Work Experience

### **Administration and Organization**

1. Current Workforce Development Board (WDB) and any Standing Committee rosters. The roster should include the members' first and last name, their organization, and the category that they represent.
2. Copies of WDB and Youth Standing Committee agendas and meeting minutes for the last three meetings.
3. A copy of current WDB by-laws.
4. Subgrantee's current Memorandums of Understanding with all partners.
5. A list of each AJCC - comprehensive, affiliate, and specialize, including their address.
6. A list of your Youth Providers.
7. A list of all partners at each AJCC location.
8. A copy of the PY 2018-19 and 2019-20 subrecipient program monitoring log.
9. A copy of all PY 2018-19 and 2019-20 subrecipient program monitoring reports (engagement letter, draft, and final) completed by the administrative entity.
10. Current notification to subrecipients regarding responsibilities related to the reporting of fraud, waste, and abuse.
11. Documentation maintained for tracking:
  - a. The five percent limitation for in-school youth.
  - b. Youth eligibility on additional assistance is less than five percent enrollment.
  - c. The 20 percent of youth funds spent on work experience.
12. The LWDA agreement on performance goals.

**CalJOBS Reporting:** Please provide participant rosters for all youth participants enrolled from September 1, 2017, through August 31, 2019. In order to select the sample of case files for review, the participant rosters must include:


- Service Provider
- Participant Name
- Application Number
- Activity Code(s)
- Completion Code(s)
- Enrollment and Exit Date(s)

Please ensure that all requested documents are provided to your Compliance Monitoring Analyst by December 11, 2019. If you are unable to provide the requested documents by the due date, please contact your assigned Compliance Monitoring Analyst as soon as possible.

Mr. Enrique Arreola  
September 18, 2019  
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If you have any questions or need additional information, please contact Ms. Mechelle Hayes, Compliance Monitoring Analyst, at 1-916-653-0298 or [Mechelle.Hayes@edd.ca.gov](mailto:Mechelle.Hayes@edd.ca.gov) via email, or myself at 1-916-654-7825 or via email at [Melissa.McDaniel@edd.ca.gov](mailto:Melissa.McDaniel@edd.ca.gov). We appreciate your cooperation.

Sincerely,



MELISSA MCDANIEL  
Compliance Monitoring Supervisor  
Compliance Review Office

Enclosure

cc: Jessica Encarnacion, MIC 22  
Schenelle Flores, MIC 22M  
Jennifer Gouvaia, MIC 50  
Jaime Gutierrez, MIC 50  
MaryLiz Kerecman, MIC 50  
Jojo Sanchez-Gajo, MIC 22M

mdh:1025



October 4, 2019

Mr. James A. Rydingsword  
Director  
San Benito County Workforce Development Board  
1111 San Felipe Road, Suite 108  
Hollister, CA 95023

WORKFORCE INNOVATION AND OPPORTUNITY ACT  
PROGRAM REVIEW  
DRAFT MONITORING REPORT  
PROGRAM YEAR 2018-19

Dear Mr. Rydingsword:

This draft monitoring report is to inform you of the results of our review of the San Benito County Workforce Development Board's (SBCWDB) Workforce Innovation and Opportunity Act (WIOA) program operations for Program Year (PY) 2018-19. For this review, we focused on WIOA activities for the adult and dislocated worker programs, including the following areas: Workforce Development Board (WDB) and Standing Committee composition, local program oversight and monitoring of subrecipients, management information system/reporting, incident reporting, grievance and complaint system, participant eligibility, career services, and Rapid Response activities.

This review was conducted by Ms. Mechelle Hayes from January 28, 2019, through February 1, 2019.

Our review was conducted under the authority of WIOA Sections 183(a) and 184(a)(4). The scope of this review was to determine SBCWDB's compliance to WIOA grant program, federal and state regulations, and applicable state directives.

During the review, we performed the following procedures:

- Reviewed laws, regulations, policies, procedures, and directives related to WIOA
- Obtained and reviewed SBCWDB's policies and procedures specific to the following areas:
  - Adult, dislocated worker, and youth eligibility determination
  - Personally Identifiable Information (PII)
  - Grievance Procedures

- Conflict of Interest
- Career Services
- Youth Services
- Supportive Services
- Oversight and Monitoring
- Veteran's Priority of Service
- Training
- Rapid Response Assistance and Services
- Reviewed Local Workforce Development Board rosters, by-laws, and standing committees.
- Reviewed SBCWDB's Memorandums of Understanding with partners.
- Reviewed SBCWDB's monitoring policies, procedures, logs and reports.
- Interviewed SBCWDB representatives.
- Reviewed SBCWDB's responses to the On-Site Monitoring Guide.
- Obtained and reviewed sample case files for adult and dislocated workers enrolled from July 1, 2017, to December 31, 2018.

## **BACKGROUND**

The SBCWDB was awarded WIOA funds to administer a comprehensive workforce development system designed to help job seekers access employment, training, and supportive services to succeed in the labor market and match employers with the skilled workers they need to compete in the global economy. For PY 2018-19, the SBCWDB was allocated: \$198,466 to serve adult participants; \$206,274 to serve youth participants; and \$210,605 to serve dislocated worker participants.

For the quarter ending December 31, 2018, the SBCWDB reported the following WIOA expenditures: \$7,318 for adult participants; \$0 for youth participants; and \$24,976 for dislocated worker participants. The SBCWDB also reported the following expenditures from their PY 2017-18 allocation: \$196,195 for adult participants, \$139,227 for youth participants and \$189,313 for dislocated worker participants.

We reviewed 30 case files of the 82 adult and dislocated worker participants enrolled in the WIOA program as of December 31, 2018.

## **PROGRAM REVIEW RESULTS**

While we conclude that, overall, SBCWDB is meeting applicable WIOA requirements concerning grant program administration, we noted instances of noncompliance in the areas of WDB composition, WDB by-laws, (PI) policy and procedures, incentives for adult and dislocated worker participants, unallowable placement of participant in work experience, and incomplete work experience contracts.

### **FINDING ONE**

**Criteria:** Title 20 Code of Federal Regulations (CFR), Chapter V, Part 679, Subpart C, § 679.320(b) states, in part, "A majority of the members of the local WDB must be representatives of business in the local area."

The SBCWDB by-laws state, in part, "Minimum membership under WIOA § 107 can be met with 19 members...(10) Business Representatives (51%), minimum two (2) members must represent small business..."

**Condition:** The SBWDB does not have a business majority.

**Cause:** The SBCWDB has not been able to recruit and retain enough business members to serve on their local board and, therefore, be in compliance with the WIOA requirement to have a business majority. Staff stated that the SBCWDB has not been able to meet the WIOA local board composition requirements since the legislation was implemented.

At the time of this review, the San Benito County's WDB was comprised of seven business members and nine public sector members for a total of 16 members. Therefore, the business members only represent forty-four percent of the total board membership. This includes two WDB members, a business representative and a public sector member, who were approved to serve on the WDB by the San Benito County Board of Supervisors on February 5, 2019. The recruitment of WDB members has been a standing agenda item on the WDB meetings throughout 2018 and into 2019.

**Corrective Action:** The SBCWDB needs to provide the Compliance Review Office (CRO) with a corrective action plan to recruit and retain enough WDB members to be in compliance with WIOA requirements.

### **FINDING TWO**

**Criteria:** Title 20 CFR, Chapter V, Part 679, Subpart C, § 679.310(g)(4-5) states, in part, "The CEO must establish by-laws...that at a minimum address:...The...alternative designee process that will

be used when a WDB member is unable to attend a meeting and assigns a designee...The use of technology, such as phone and web-based meetings, that will be used to promote WDB member participation.”

**Condition:** The SBCWDB’s by-laws do not address the alternative designee process that will be used when a WDB member is unable to attend a meeting and assigns a designee, or the use of technology, such as phone and web-based meetings, that will be used to promote WDB member participation.

**Cause:** When revised in April 2017, the SBCWDB’s by-laws were not revised to address the alternative designee process that will be used when a WDB member is unable to attend a meeting and assigns a designee, or the use of technology, such as phone and web-based meetings, that will be used to promote WDB member participation.

**Corrective Action:** The SBCWDB needs to revise its WDB by-laws to address the alternative designee process that will be used when a WDB member is unable to attend a meeting and assigns a designee, and the use of technology, such as phone and web-based meetings, that will be used to promote WDB member participation; the SBCWDB must also provide CRO a copy of the revised WDB by-laws.

### **FINDING THREE**

**Criteria:** Title 20 CFR, Chapter V, Part 683, Subpart B, §683.220(a) states, in part, “Recipients and subrecipients of WIOA Title I... funds must have an internal control structure and written policies in place that provide safeguards to protect PII, records, contracts, grant funds, equipment, sensitive information, tangible items, and other information that is readily or easily exchanged in the open market, or that the Department or the recipient or subrecipient considers to be sensitive, consistent with applicable federal, state and local...laws.”

The U.S Department of Labor, Employment and Training Administration’s (ETA) Training and Employment Guidance Letter (TEGL) No. 39-11, Guidance on the Handling and Protection of PII states, in part, “...grantees must secure transmission of PII

and sensitive data developed, obtained, or otherwise associated with ETA funded grants. In addition to the requirement above, all grantees must also comply with all of the following:

- To ensure that such PII is not transmitted to unauthorized users, all PII and other sensitive data transmitted via e-mail or stored on compact discs, digital versatile discs, thumb drives, etc., must be encrypted...
- ...Grantees must maintain such PII in accordance with the ETA standards for information security described in this TEG and any updates to such standards provided to the grantee by ETA...
- Grantees shall ensure that any PII used during the performance of their grant has been obtained in conformity with applicable federal and state laws...
- Grantees further acknowledge that all PII data obtained through their ETA grant shall be stored in an area that is physically safe from access by unauthorized persons at all times and the data will be processed using grantee issued equipment, managed information technology (IT) services and designated locations approved by ETA. Accessing, processing, and storing of ETA grant PII on personally owned equipment, at off-site locations (e.g., employee's home), and non-grantee managed IT services, (e.g., Yahoo mail), is strictly prohibited unless approved by ETA.
- Grantee employees and other personnel who will have access to sensitive/confidential/propriety/private data must be advised of the confidential nature of the information, the safeguards required to protect the information, and that there are civil and criminal sanctions for noncompliance with such safeguards that are contained in federal and state laws.
- Grantees must have their policies and procedures in place under which grantee employees and other personnel, before being granted access to PII, acknowledge their understanding of the confidential nature of the data and the safeguards with which they must comply in their handling of such data as well as the fact that they may be liable to civil and criminal sanctions for improper disclosure.
- Grantees must not extract information from data supplied by ETA for any purpose not stated in the grant agreement.
- Access to any PII created by the ETA grant must be restricted to only those employees of the grant recipient who need it in

their official capacity to perform duties in connection with the scope of work in the grant agreement.

- All PII data must be processed in a manner that will protect the confidentiality of the records/documents and is designed to prevent unauthorized persons from retrieving such records by computer, remote terminal or any other means. Data may be downloaded to, or maintained on, mobile or portable devices only if the data are encrypted...
- PII data obtained by the grantee through a request from ETA must not be disclosed to anyone but the individual requestor...
- Grantees must permit ETA to make onsite inspections...to assure that the grantee is complying with the confidentiality requirements described above...grantees must make records applicable to this Agreement available to authorized persons for the purpose of inspection, review, and/or audit.
- Grantees must retain data received from ETA only for the period of time required... Thereafter, the grantee agrees that all data will be destroyed..."

**Condition:** The SBCWDB's written PII policy and procedures does not cover all of the areas that SCBWDB must be in compliance with.

**Cause:** Specifically, SBCWDB's PII policy and procedures covers the process for transporting hard-copy PII between various office locations, but does not include all of the areas of compliance required by TEGL 39-11. The SBCWDB staff stated that they were unaware of TEGL 39-11.

**Corrective Action:** The SBCWDB needs to revise its PII policy and procedures to cover all forms of sensitive/confidential data and ensure that it includes all of the compliance areas covered in TEGL 39-11 and provide CRO with a copy of the revised PII policy and procedures.

#### **FINDING FOUR**

**Criteria:** Title 2 CFR, Chapter II, Part 200, Subpart E, §200.403(a) states; "Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under federal awards: (a) Be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles."

Title 20 CFR, Chapter V, Part 680, Subpart A, §680.110(b) states, "Adults and dislocated workers who receive services funded under WIOA title I other than self-service or information-only activities must be registered and must be a participant."

Title 20 CFR, Chapter V, Part 681, Subpart C, §681.640 states, in part, "Yes, incentive payments to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences."

**Condition:**

We found that the SBCWDB provides incentives to adult and dislocated worker participants which is not a necessary or reasonable activity/cost for the performance of the WIOA Title I adult or dislocated worker grant programs. Additionally, unlike youth incentives, incentives for adults and dislocated worker participants are not otherwise authorized by statute.

**Cause:**

Specifically, the SBCWDB offers \$25 gift card incentives to adults and dislocated workers for: (1) entering unsubsidized employment; (2) attainment of high school diploma or general educational development (GED); (3) providing proof of qualifying performance exemptions; (4) unsubsidized employment within the second quarter of follow-up; (5) unsubsidized employment within the fourth quarter of follow-up; (6) proof of re-enrollment into secondary education or GED course; (7) proof of enrollment in a postsecondary institution in the second and fourth quarter of the follow-up period; (8) attainment of post-secondary degree/certificate; (9) program skills gain as indicated in the individualized education program; or (10) attending a WDB meeting to share a success story. The SBCWDB staff stated that they provided incentives to adult and dislocated workers to encourage the participants to provide documentation of services received (e.g., verification of unsubsidized employment or enrollment into post-secondary education). The SBCWDB approved this policy on October 10, 2017.

In the 30 adult and dislocated worker case files reviewed, we found that six participants each received one \$25 gift card for providing proof that they had entered unsubsidized employment. Of the six participants who received an incentive gift card, four had exited the program and two were still enrolled.

**Corrective Action:** The SBCWDB needs to discontinue the practice of providing incentive payments to adults and dislocated workers. For the six incentive gift cards (total of \$150) identified during the review, SBCWDB needs to reverse the charges, assign them to a non-federal grant and provide CRO documentation of the re-assignment.

Finally, the SBCWDB needs to identify all incentive payments to adults and dislocated worker participants between October 10, 2017, and February 1, 2019, reverse these charges, assign them to a non-federal grant and provide CRO documentation of the re-assignment.

#### **FINDING FIVE**

**Criteria:** Title 20 CFR, Chapter V, Part 683, Subpart B, §683.200(g) states, "Nepotism. (1) No individual may be placed in a WIOA employment activity if a member of that person's immediate family is directly supervised by or directly supervises that individual. (2) To the extent that an applicable state or local legal requirement regarding nepotism is more restrictive than this provision, such state or local requirement must be followed."

The San Benito WDB's Policies & Procedures Manual, Work Experience Program (WEP) for Adult/Dislocated Worker states, in part, "No individual may be placed in a WIOA employment or work experience activity if a member of the person's immediate family is directly supervised by or directly supervises the individual."

The San Benito WDB's Policies & Procedures Manual, Agency Eligibility Procedures states, in part, "Immediate family is defined as: spouse, child, parent, grandparent, grandchild, brother, sister, step-relatives and in-laws in those relationships."

**Condition:** We found that SBCWDB placed a participant at a work experience site where he was supervised by his father-in-law; there is no indication that SBCWDB was aware of this relationship prior to placing the participant at the worksite. After discovering the relationship between the participant and the supervisor, SBCWDB discontinued the work experience activity, but still reimbursed the supervisor/father-in-law for the cost of the work items bought on behalf of the participant/son-in-law.

**Cause:**

On June 21, 2018, the participant signed a nepotism form that asked, "Is a member of your immediate family (spouse, parent, child, brother, sister, in-law, uncle, aunt, nephew, niece, first cousin, step-parent, step-child) an elected City or County Official?" and "Is a member of your immediate family (spouse, parent, child, brother, sister, in-law, uncle, aunt, nephew, niece, first cousin, step-parent, step-child) an employee of a City, County or WIA-funded organization?" The participant answered "no" to both questions. However, this nepotism form does not inform the participant of the prohibition of allowing immediate family to directly supervise or be supervised by immediate family.

On July 5, 2018, the worksite supervisor/father-in-law signed the work experience contract which states, in part, that the worksite agency "shall comply with all applicable federal, state and local laws now, or hereafter, in force, and with any applicable regulations, in performing the work and performing the services specified in this agreement." On August 8, 2018, the participant began his work experience.

On December 19, 2018, the SBCWDB discovered that the work site supervisor was the participant's father-in-law when SBCWDB was following up on obtaining receipts to complete the reimbursement of items purchased by the supervisor/father-in-law for the participant/son-in-law. When SBCWDB reviewed the work experience policy with the supervisor/father-in-law that states, "No individual may be placed in a WIOA employment or work experience activity if a member of that person's immediate family is directly supervised by or directly supervises the individual," the supervisor/father-in-law stated that he did not consider a son-in-law to be an immediate family member. The participant's work experience was discontinued on December 19, 2018. By this date the participant had completed 555.83 hours of his work experience at \$11 per hour resulting in gross pay of \$6,114.13

On December 19, 2018, the SBCWDB staff sought guidance on the issue from their regional advisor. On December 20, 2018, the SBCWDB's regional advisor stated that, "The decision to make the sought reimbursement payment for supportive services and/or remove the participant from the subject Work Experience Worksite is a local call." On January 2, 2019, SBCWDB

reimbursed the employer/father-in-law \$483.31 for the cost of the supportive service bought on behalf of the participant/son-in-law.

**Corrective Action:** The SBCWDB needs to reverse the charges for the work experience wages (\$6,114.13) and the supportive services (\$483.31), assign them to a non-federal grant and provide CRO documentation of the re-assignment. Additionally, the SBCWDB needs to revise the nepotism notice provided to participants so that it includes the prohibition of allowing immediate family to directly supervise or be supervised by immediate family. The notification to participants should include SBCWDB's definition of immediate family members.

#### **FINDING SIX**

**Criteria:** Title 20 CFR, Chapter V, Part 680, Subpart A, §680.180 states, in part, that work experience for adults and dislocated workers "is a planned, structured learning experience that takes place in a workplace for a limited period of time."

The San Benito Non-Financial Worksite Agreement for the WIOA Work Experience Program states, in part, that the worksite, "For each job classification, please submit a detailed job description. Include specific prerequisites...and specific tools and equipment to be used; methods and procedures to be taught."

**Condition:** We reviewed three adult and dislocated worker work experience contracts and found that they did not include enough information to demonstrate that the work experience was a planned, structured learning experience.

**Cause:** Although the contracts were for three different occupations (electrician apprentice, pool technician trainee, and operations and maintenance technician one trainee) all the contracts were written for a certain period of time or until the completion of 600 hours whichever comes first. However, there is no documentation supporting the number of hours allocated to each contract. Additionally, none of the three contracts made a connection between the tasks that were listed and the amount of time allocated to learn that specific task. Finally, the electrician apprentice work experience contract does not include the specific skills that the participant would be learning; instead this contract

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October 4, 2019  
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states that the specific duties to be performed are "Putting Materials Away At Shop, Going to Job Sites and Helping Out With Electrical Work" and that the participant would be using "General Office Equipment."

**Corrective Action:** The SBCWDB needs to revise its work experience contract to include verbiage that shows a planned and structured learning work experience.

We provide you up to 25 working days after receipt of this report to submit your response to the CRO. Therefore, please submit your response by November 12, 2019 to PACBCROComplianceMonitors@edd.ca.gov via email. If we do not receive a response by this date we will release this report as the final report.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. The SBCWDB is responsible to ensure that its systems, programs, and related activities comply with the WIOA grant program, federal and state regulations, and applicable state directives. Therefore, SBCWDB is responsible for any deficiencies identified in subsequent reviews or audits.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Ms. Mechelle Hayes, Compliance Monitoring Analyst, at 1-916-653-0298 or Mechelle.Hayes@edd.ca.gov; or Ms. Melissa McDaniel, Compliance Monitoring Supervisor, at 1-916 654-7825 or Melissa.McDaniel@edd.ca.gov.

Sincerely,



SCHENELLE FLORES, Chief  
Compliance Monitoring Section 2  
Compliance Review Office

cc: Enrique Arreola, Deputy Director  
Jennifer Gouvaia, MIC 50  
Jaime Gutierrez, MIC 50  
Mechelle Hayes, MIC 22M  
MaryLiz Kerecman, MIC 50  
Melissa McDaniel, MIC 22M  
Tim Reynaga, MIC 50