



**Council Meeting: June 28, 2011**

**SUBJECT: Approval of NOVA Local Workforce Investment Area Five-Year Strategic Local Plan Modification for Program Year 2011-12**

**REPORT IN BRIEF**

Workforce Investment Act (WIA) policies require that the local Workforce Investment Board (WIB) submit a Five-Year Plan to the Governor for its WIA allocated funds. The purpose of the plan is to describe the local area's one-stop approach to workforce development programs that respond to the employment needs of its many customers, including current workers, unemployed workers, dislocated workers, new entrants to the labor force, youth, veterans and employers. NOVA's plan reflects an employment and training system based on informed customer choice and performance accountability. The plan was originally effective from July 1, 2000-June 30, 2005, and has been modified annually for each year since the initial term. For 2011-12, the plan modification consists of answers to questions about service strategy as well as new budget and participant plans for the allocated funding.

Staff recommends that the Sunnyvale City Council, on behalf of the seven-city NOVA Consortium, approve the NOVA Local Workforce Investment Area Five-Year Strategic Local Plan Modification for Program Year 2011-12.

**BACKGROUND**

The Workforce Investment Act (WIA) was enacted in 1998, providing sweeping changes in workforce development and training. The change transitioned the Job Training Partnership Act into the WIA legislation beginning in July 2000. The State of California, under the direction of the Governor, developed a five-year plan for WIA, and required each Local Workforce Investment Area (LWIA) to submit a five-year plan in conjunction with that of the State.

NOVA's five-year plan explains the partnerships developed under the CONNECT One-Stop system, providing one source for service. NOVA and the Employment Development Department serve as the major partners in the CONNECT partnership. A Memorandum of Understanding (MOU) guides all of the partners, which now total over 30 agencies. An MOU is one of the major requirements in the plan.

The plan also illustrates the diversity of services available to individuals and businesses, and is updated each year to reflect local economic conditions and

any significant strategic changes. The original LWIA Five-Year Strategic Plan expired on June 30, 2005. For each program year since that date, pending WIA reauthorization legislation, the State has allowed a one-year extension to the existing plan. This current modification will extend the plan to June 30, 2012.

The plan was released for public comments, which were due May 25, 2011. None were received. The modification is available for review on NOVA's Web site at <http://novaworks.org/AboutUs/StrategicPlan.aspx>.

**EXISTING POLICY**

The proposed activities are consistent with the City of Sunnyvale's Socio-Economic Goal 5.1F: Provide job training and employment services, within constraints of operative Federal regulations and available Federal funding to address the locally-determined employment and training needs of economically disadvantaged residents and others with special needs.

**DISCUSSION**

In order to better reflect current and future strategies, the State Employment Development Department (EDD) revised the plan modification process for program year 2011-12. The modification consists of a set of questions relative to how each local area meets the needs of job seekers and businesses, in addition to budget and participant plans for the WIA allocated grants.

The charts below summarize the updated plans. In terms of funding for PY 11-12, NOVA's Adult, Dislocated Workers, and Youth allocations remain relatively flat following a 3% decrease in PY 10-11. The following chart shows NOVA's PY 11-12 new allocations, compared with PY 10-11:

<b>Grant</b>	<b>PY 11-12 Allocated Funds</b>	<b>PY 10-11 Allocated Funds</b>	<b>Change</b>	<b>PY 10-11 Carry Over*</b>
Adult Allocation	\$822,849	\$867,714	-5.2%	\$150,000
Dislocated Workers Allocation	\$1,162,066	\$1,156,146	+0.5%	\$300,000
Youth Allocation	\$927,534	\$879,607	+5.4%	\$240,000
<b>TOTALS</b>	<b>\$2,912,449</b>	<b>\$2,903,467</b>	<b>+0.3%</b>	<b>\$690,000</b>

\* Estimated based on projected 6/30 expenditures. Note that EDD is permitting higher carry-in than the law normally allows due to required expenditure of the ARRA funds by June 30.

The following chart compares planned enrollments for PY 11-12 with the plan for PY 10-11\*\*:

<b>Enrollments</b>	<b>Adult</b>		<b>Dislocated Workers</b>		<b>Youth</b>	
	<b>11-12</b>	<b>10-11</b>	<b>11-12</b>	<b>10-11</b>	<b>11-12</b>	<b>10-11</b>
Participants Carried In	250	513	500	2,326	118	93
New Participants	450	1,600	800	3,500	60	70
Total Participants	700	2,113	1,300	5,826	178	163

\*\*Plans for PY 10-11 were not required, so plans for PY 09-10 were used and shown here.

With NOVA's service integration model and enrolling almost everyone who comes in for service, NOVA's cost per participant dropped significantly over the last two years. As NOVA anticipates funding decreases over the next few years, it is likely that not everyone will be able to be enrolled, which will increase costs. Therefore a lower number of participants is planned in PY 11-12.

The NOVA Workforce Board approved the modification of the NOVA Local Workforce Investment Area Five-Year Strategic Local Plan at its June 15 Executive Committee meeting.

**FISCAL IMPACT**

The source of funds for the services in the Five-Year Strategic Local Plan is Workforce Investment Act funds. These funds are allocated to NOVA and the City of Sunnyvale by the State of California on an annual basis. As such there is sufficient funding to accomplish the required work, and the funding cannot be used for any purposes not in the Plan. There is no negative fiscal impact on the City of Sunnyvale.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

**ALTERNATIVES**

1. Council approves the NOVA Local Workforce Investment Area Five-Year Strategic Local Plan Modification for Program Year 2011-12.

2. Council does not approve the Plan modification.

3. Other action as determined by Council.

**RECOMMENDATION**

It is recommended by staff that the Sunnyvale City Council, on behalf of the NOVA seven-city consortium and in concurrence with the NOVA Workforce Board, adopt Alternative 1: Council approves the NOVA Local Workforce Investment Area Five-Year Strategic Local Plan Modification for Program Year 2011-12.

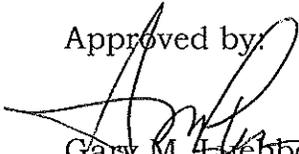
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