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REGULAR MEETING OF THE SACRAMENTO WORKS, INC. BOARD

DATE: Wednesday, January 26, 2005

TIME: 8:00 a.m.

LOCATION: SETA Board Room
925 Del Paso Blvd.
Sacramento, California

While the Sacramento Works, Inc. Board welcomes and encourages participation in the Sacramento Works, Inc. meetings, it would be appreciated if you would limit your comments to five minutes so that everyone may be heard. Matters under the jurisdiction of the Sacramento Works, Inc. Board and not on the posted agenda may be addressed by the general public following completion of the regular agenda. The Sacramento Works, Inc. Board limits testimony on matters not on the agenda to five minutes per person and not more than fifteen minutes for a particular subject. Meeting facilities are accessible to persons with disabilities. Requests for Assisted Listening Devices or other considerations should be made through the Clerk's office at (916) 263-3827. This document and other Board meeting information may be accessed through the Internet by accessing the SETA home page: www.seta.net.

A G E N D A

I. Call to Order/Roll Call

II. Consent Item

A. Approval of Minutes of the December 1, 2004 Special Meeting

III. Action Item

A. Approval of Proposal for Regional Workforce Study (William Walker)
(GOAL 3: A Workforce that Creates, Attracts, and Sustains Higher paying Jobs)

B. Appointment of Sacramento Works Representative on the Partnership for Prosperity Leadership Council (Kathy Kossick/Mike Dourgarian)
(GOAL 2 – Develop a Private-sector Driven Initiative to Increase Employer Involvement and Satisfaction)

IV. Information Items

1. Committee Updates
 - Youth Council
 - Planning/Oversight Committee
 - Employer Outreach Committee
2. Presentation of the 2004/2005 Occupational Outlook & Training Directory (John Harden)
3. Report on Employer/Employee Dislocations (William Walker)
4. Accomplishments of the Sacramento Works, Inc. Employer Outreach Committee Achievements (Mark Ingram)
5. Career and Technical Education Highlights (Robin Purdy)

V. Other Reports

1. Chair
 - Introduction of Public Relations Firm
2. Counsel
3. Public Participation

VI. Adjournment

DISTRIBUTION DATE: WEDNESDAY, JANUARY 19, 2005

Role of Sacramento Works, Inc., the Local Workforce Investment Board

Sacramento Works, Inc., the local Workforce Investment Board is a 36-member board charged with providing policy, planning and oversight for local workforce development initiatives.

Vision:

Jobs for People and People for Jobs

Mission:

Sacramento Works unites business, education and public agencies to assure qualified and trained workers are available to meet the needs of the region's economy.

Priority Goals

[GOAL 1 – Train Workers for Critical Industries](#)

The Board will take a proactive role in engaging the business community by assessing the regional labor market, identifying critical industries, and developing a plan to train workers for critical industries.



[GOAL 2 – Develop a Private-sector Driven Initiative to Increase Employer Involvement and Satisfaction](#)

The Board will increase employer involvement and satisfaction with the workforce system by developing a comprehensive business led employer outreach and marketing plan and measuring employer customer satisfaction coordinated by engaging the business community, labor, educators and workforce professionals by focusing attention and resources on minimizing barriers to employment (literacy, childcare, transportation, and housing), promoting career ladders, and preparing a workforce that creates, attracts, and sustains higher paying jobs.

[GOAL 3 – A Workforce that Creates, Attracts, and Sustains Higher paying Jobs](#)

The workforce system will become more visible, accessible and better coordinated by engaging the business community, labor, educators and workforce professionals by focusing attention and resources on minimizing barriers to employment (literacy, childcare, transportation, and housing), promoting career ladders, and preparing a workforce that creates, attracts, and sustains higher paying jobs.

[GOAL 4 – Prepare Youth to Compete in the Local Economy](#)

The Board will ensure that local youth are prepared to compete in the local economy by supporting education, employer and community partners to ensure that all K-12 students have a quality education and an introduction to the world of work.

[GOAL 5 – Evaluate and Improve the One-Stop System](#)

The Board will evaluate the one stop system and make recommendations to continuously improve the system to make it more effective, efficient and relevant to current and future needs of employers.

ITEM II-A – CONSENT

APPROVAL OF MINUTES OF THE DECEMBER 1, 2004 SPECIAL BOARD
MEETING

BACKGROUND:

Attached are the minutes of the December 1, 2004 Sacramento Works, Inc. Board meeting for your review.

RECOMMENDATION:

That your Board review, modify if necessary, and approve the attached minutes.

SPECIAL MEETING OF THE SACRAMENTO WORKS, INC. BOARD

Minutes/Synopsis

(The minutes reflect the actual progression of the meeting.)

SETA Board Room
925 Del Paso Blvd.
Sacramento, California

Wednesday, December 1, 2004
8:00 a.m.

While awaiting a quorum, the board reviewed information items.

IV. Information Items

1. Presentation of the 2004/2005 Regional Construction Careers Study

Mr. John Harden provided an overview of the construction careers study. The study included 13 of the largest occupations in the industry. Information contained in the report was collected from 200 local employers. This report will be distributed to the career centers in PDF or hard copy format.

I. Call to Order/Roll Call: A quorum was achieved at 8:12 a.m. Mr. Dourgarian called the meeting to order.

Members Present: Dr. Larry Buchanan, Bill Camp, Joan Dailey Polster, Rick Dibble, Michael Dourgarian, Mark Erlichman, Mark Ingram, Randall King, Kathy Kossick, James Lambert, Gerry Lawrence, Matt Mahood, Elizabeth McClatchy, Jack Padley, Kim Parker, Bruce Parks, Deborah Portela, Jane Rasmussen, Lorenda Sanchez, Anette Smith-Dohring, Lawrence Suddjian, Kingman Tsang, William Warwick.

Members Absent: Sharon Anderson, Toni Curtis, Peter Gregerson, Barbara Hayes, Frank Hurtarte, Matt Kelly, John Koogler, Joanne McDermott, Dave Miller, Anne Moore, Maurice Read, Francisco Rodriguez.

Two new board members were introduced: Randall King from Radisson Hotels, and Anette Smith-Dorhing from Sutter Health.

II. Consent Item

A. Approval of Minutes of the July 28, 2004 Regular Meeting

Moved/Padley, second/Lawrence, to approve the minutes as distributed
Voice Vote: Unanimous approval.

III. Action Items

A. TIMED ITEM: 8:00 A.M. AND PUBLIC HEARING: Approval of Amendments to the Sacramento Works, Inc. Bylaws

Mr. Phil Cunningham reviewed this item. This is a 'clean up' item that arose from discussions regarding flexibility for committee meetings. Mr. Cunningham reviewed the proposed amends to the bylaws. A public hearing was opened. There were no questions or comments.

Moved/Lambert, second/Tsang, to close the public hearing and approve the bylaw amendments to the Sacramento Works, Inc. bylaws as outlined in the board packet.

Voice Vote: Unanimous approval.

B. Approval of Updated Self-Sufficiency Standards for the Sacramento Workforce Investment Area

Mr. Roy Kim reviewed this item which was approved by the Planning/Oversight and Executive Committees. This modifies the self-sufficiency standard for the Sacramento area, and takes into account that many costs differ according to family size and locality. This is a guideline for need of services and will be used as a counseling tool. Staff is recommending retaining the existing definition of self-sufficiency of \$10.00 per hour that the board already approved.

Moved/McClatchy, second/Rasmussen, to approve using the Self-Sufficiency Standard for California 2003, as modified and shown in the chart in the board packet. Approve the use of future self-sufficiency standards for Sacramento, as modified by this policy.

Voice Vote: Unanimous approval.

C. Ratification of Submission of a Healthcare Industry Grant Application to the Department Of Labor, Employment and Training Administration

Ms. Cindy Sherwood-Green stated that the Planning/Oversight Committee reviewed and approved this item at their recent meeting.

There is \$10 million available nationwide and SETA is requesting \$1 million. This requires mandatory partners and we will be partnering with a lot of the other partners that have participated in the Nurse Workforce Initiative.

Moved/Portela, second/Mahood, to ratify the submission of the HI-WRP proposal and application to the Department of Labor, Employment and Training Administration.

Voice vote: Unanimous approval with three abstentions (Smith-Dohring, Dourgarian, and Buchanan)

D. Approval of Proposal for Regional Workforce Study: This item will be continued to January.

E. Approval to Endorse Partnership for Prosperity: An Economic Development Strategy for the Greater Sacramento Area

Mr. Mahood provided an oral report. This started as a partnership between SACTO and the Metro Chamber and asks "What can our local Economic Development groups do to shape the growth of the area". He stated that the program, entitled Partnership for Prosperity, wants to do an economic development project that will be implemented quickly, and has measurable deliverables and outcomes. This partnership will take a look at our local assets that make up a good economy and figure out how to shape the marketplace utilizing these assets. They have tried to put together a collaborative effort asking the local stakeholders to participate in this project.

Mr. Mahood stated that a leadership coalition will be made up of the vice chairs and chairs of local groups. This would make up the guiding body of the project. He and Ms. Hayes are currently out meeting and presenting this proposal to local stakeholder organizations. It is anticipated that the first leadership meeting will be held in January and will be 'rolled out' in February. The original budget is around \$200,000. Mr. Mahood read off a list of the stakeholders in the area. This is a six-county regional wide group. A \$5,000-\$10,000 contribution will be requested from the partners. This is modeled after other projects completed in the region. Ms. Hayes has looked at different models, especially one that was recently completed in Phoenix.

Mr. Lambert asked about the reporting mechanism. Mr. Mahood asked that the Sacramento WIB appoint one person to participate in this and be a part of the planning process. He asked that the SETA Executive Director serve on this committee.

Mr. Cunningham inquired who would hold the money. Mr. Mahood stated that they have yet to figure that out. Either the money can go through the Chamber, SACTO or Valley Vision. The details have not yet been worked out. The Chamber and SACTO are C-6 organizations and Valley Vision is a C-3 organization.

Moved/Tsang, second/McClatchy, to approve, in concept, the Partnership for Prosperity program, with final authority be given to the Executive Committee, subject to legal counsel approval. Mr. Cunningham will also explore the potential conflict of interest issues and the appropriate placement of funds. One person will be appointed to work with this program.

Ms. Dailey Polster stated that it is important to remember the local schools and suggested talking to the various school districts. Mr. Mahood replied that there is a K-12 component to include the school districts.

Mr. Camp arrives at 8:45 a.m.

Mr. Cunningham stated that the potential conflict of interest in the organizations is workable as long as people identify their potential conflicts and note them.

Ms. Smith-Dohring asked if key employers are working on this. Mr. Mahood stated that industry clusters and organizations that are already clustered together will be involved. Key organizations will be the spokesperson for the clusters.

Voice Vote: Unanimous approval with one abstention (Mahood).

Mr. Mahood left the meeting at 8:55 a.m.

- F. Authorize the Planning/Oversight Committee to Review and Approve the Governor's 15% Workforce Investment Act Proposals from Sacramento County

Ms. Robin Purdy reviewed this item. There are three categories in which organizations can apply. There is a requirement for each proposer to show linkages with other local organizations. This item is requesting authorization for the Planning/Oversight Committee to approve a linkage to programs. A lot of organizations will be submitting proposals, targeting the second category (removal of barriers). The Planning/Oversight Committee will review these proposals.

Moved/Camp, second/Rasmussen, to authorize the Planning/Oversight Committee to review applications for WIA Governors 15% funding from Sacramento County and support those that are consistent with the goals of the Sacramento Works Strategic Business Plan.

A question was raised as to whether it is appropriate to send a letter to the new person of EDD welcoming them and state that we are looking forward to working with them.

Ms. Purdy stated that this year, the State is not requiring that the local workforce board approve the proposals; just to make sure that there are linkages.

Voice Vote: Unanimous approval with one abstention (Buchanan).

A letter will be sent to the new director of EDD. Mr. Camp stated that a letter will also be sent to the Senate Rules Committee.

- G. Review and Approve Sacramento Works Youth Council's Current and Proposed Workforce Investment Act Youth Service Delivery System

Mr. Mike Brunelle, chair of the Planning and Indicator Workgroup, reviewed this item. This item provides an overview of the planning process to identify the disbursement of funds and services for the 2005-2006 youth funding cycle. By

going through such a lengthy process now, it will alleviate a lot of the problems that occurred during the last funding process.

To fairly allocate funds across the county, the workgroup came up with a way to look at a geographic region and the allocation of funds. The workgroup started gathering data and came up with Challenged Areas for Youth, which was included in the board packet. The Youth Council is proposing allocating 50% of the available funds to be divided equally among the five supervisorial districts. The other 50% will be divided among the highly concentrated areas where there are very high needs.

Mr. Camp asked why distribution among the supervisorial districts is being considered when there is no need to put money in certain areas. Mr. Brunelle replied that that all areas have pockets of youth in need. Mr. Camp wants feed back as to how the money is spent. Mr. Brunelle stated that proposers must state that there is a functioning collaborative that has the capacity to provide services for youth.

Moved/Tsang, second/Camp, to approve Sacramento Works Youth Council's current and proposed WIA Youth service delivery system recommendations.
Voice Vote: Unanimous approval with two abstentions (Buchanan and Dailey Poster)

IV. Information Items (Continued)

2. Letter from Graduate of the Nurse Workforce Initiative Program

Ms. Purdy stated that this item provides proof of the impact of one of our programs. This person was enrolled in the program to train more nurses. This person is now making \$31.38 an hour. This shows the impact that we have on peoples' lives.

3. WorkKeys Skills Certification System

This program will be sent to the Planning/Oversight and Employer Outreach Committees to be decided whether to go forward. LEED has set up workforce skills processes for three areas. This has been a very time consuming and expensive process. This program has been utilized nationally and is being implemented locally.

Ms. Parker asked what type of dollars are involved in the pilot project. Ms. Purdy stated that the pilot will be \$10 per student with \$100 to get each site on line.

V. Other Reports

1. Chair: A publication from SACTO was distributed. The workforce investment board is represented on pages 28-29 in this publication. A Critical Industries newsletter was distributed.

Dr. Buchanan reported that Grant will be working with a Maritime academy. They will be recruiting 12th grade students for the Marvista program in San Diego.

Mr. Bruce Parks provided an update on the culinary program. It is expected that by the fall of 2005, there will be a basic curriculum in place. He is looking forward to getting participants for this training program.

Mr. Suddjian reported that he visited the NCCT facility at the Army Depot. He encouraged all members to visit the training sites because he was very impressed with the facility.

Ms. Kossick reported that the State Workforce Investment Board has engaged U.C. Davis to do a review of the statewide workforce programs. U.C. Davis researchers have worked on this for five months and Sacramento is one of ten areas that will be studied across the state.

Ms. Smith-Dohring spoke of the expansion of the Sacramento City College nursing program. They will have the first set of graduates in 18 months. The Sutter Heath board approved refunding of this program. This program is expecting to graduate 465 people between now and 2010.

Mr. Padley stated that Channel 40 news had a nice feature on Bill Camp about supporting youth in Honduras. Mr. Camp stated that this program training people in woodworking and because there is no electricity, they are being trained using hand tools.

2. Counsel: No report.
3. Public Participation: No comments.

VI. Adjournment: Meeting adjourned at 9:55 a.m.

ITEM III-A - ACTION

APPROVAL OF PROPOSAL FOR REGIONAL WORKFORCE STUDY

BACKGROUND:

Sacramento Works, Inc. has procured two regional research projects from the Sacramento Regional Research Institute (SRRI) in the past two years. In April 2003, SRRI presented “**The Changing Structure of the Sacramento Region Economy**”, a study that identified changes in the region’s industry composition over time for the purpose of better understanding the changes in industry sectors required to support the region’s economic development.

In February, 2004, SRRI presented the “**Analysis of Workforce Skills Sets**”, a comprehensive analysis of industry employment in the Sacramento region that identified 15 industries that demonstrated the greatest potential for economic development in the region and ten (10) workforce skills sets or competencies that were critical for successful job performance in these 15 industries.

The accomplishments/return on investment of the two completed studies is included in the Information Item on Accomplishments of the Employer Outreach Committee, included in this packet.

SRRI is proposing a **third research project that will identify existing workforce attributes and conduct an analysis of the structure, characteristics, and advantages of the Sacramento Region’s workforce, as defined by its occupational categories**. The SRRI proposal is attached for review.

The Employer Outreach Committee met on January 13, 2005 to review the proposal from the Sacramento Regional Research Institute. The committee members discussed the following questions raised by both committee members and members of the Sacramento Works Executive Committee:

Is the information referred to in this study already out there? Are we getting new information out of this study? Is the data used in the study dated? How is this study different from the other studies we have done and seen?

The proposed study is different from the other studies in two ways: first it focuses on job categories instead of industries, and second, it focuses on what the region looks like now...it is not making projections into the future. The data SRRI will use is all existing data (census, LMI, O Net, Other states data) but SRRI will pull it all together into one database and develop new analyses from the data, and make recommendations. The study will look at what the region looks like today, will compare the region to other areas of comparable size and make-up, will identify the gaps between the future and where

we are now, and will make recommendations for implementation to the Sacramento Works board.

Does the study focus on economic development rather than workforce development?

One of the primary focuses of the study is to assess the regional labor market so that training programs can be developed to fill in the gaps of what skills the workforce currently offers and what skills will be in demand in the future. While this will assist economic development efforts, it will meet the objectives of the Sacramento Works business plan by attracting higher wage jobs, creating a better trained workforce to meet the needs of the business community.

How does this study relate to marketing to employers?

One primary outcome of the study is to develop information and implementation recommendations for the public relations firm to use in marketing Sacramento Works to employers in the largest and fastest growing job categories. The study proposes to compare the region to other communities that are comparable in size and make-up, information that can be used in marketing and in securing grants to expand the efforts to prepare the workforce for high-wage jobs. The gap analysis and the implementation recommendations will become the basis of grant proposals, including the Governor's Discretionary training funds.

Do we have staff that can do this work?

No. While EDD, SETA, and Los Rios Community College have staff assigned to labor market information analysis, all of them are working at full capacity. The primary focus of local labor market staff is collecting local data, developing projections, presenting the information in a user friendly format, developing tools that can be used to educate staff, employers, and the public about the occupational outlook and labor market trends, packaging the information for grant proposals and reports, and training staff. None of our agencies have staff dedicated to performing a thorough compilation and analysis of all labor market data, or the ability to compare it to other areas. In order to perform the study proposed by SRRI, we would need to add several staff dedicated to the project.

Are we paying for a study that others will use and shouldn't others share in the cost?

As the local Workforce Investment Board, it is the role of Sacramento Works to build partnerships and collaboration in the community regarding workforce development planning issues. Los Rios Community College has funded one SRRI study that complements the studies completed by SRRI for the Sacramento Works Board, and Los Rios has expressed an interest in contributing financially to this study. Partnership for Prosperity will also be contributing to future workforce studies for the region. The sharing of the information with economic development and workforce development

agencies will move us all towards focusing information and action and aligning our resources to achieve shared goals.

RECOMMENDATION:

The Sacramento Works, Inc. Employer Outreach Committee is recommending that the Sacramento Regional Research Institute (SRRI) conduct a study that will define the regional workforce strengths and weaknesses based on comparisons to other areas, ability to support economic development and growth, and ability to contribute to the Region's overall employment environment.

SRRI will:

- Identify regional workforce specialization by analyzing the characteristics and advantages of the Sacramento Region's workforce, as defined by its job categories.
- Study the Sacramento Region's job make-up over time and compare to other areas in order to identify the jobs and skills sets in which the Region has an advantage.
- Identify high growth job categories that occur across sectors (for example: Computer Software Support Technician, Administrative Assistant, Manager, Clerical Support staff).
- Examine the training and educational requirements in Sacramento's job structure to assess the workforce training and educational levels and the "knowledge and skill" demand for the Region's major job categories.
- Explore the concept of skills portability between occupations and industries that may lead to job security and upward mobility.
- Compare the findings to the analysis conducted in the previous SRRI studies and identify areas that the Sacramento Region may need to develop in order to meet future job demands.
- Compare workforce advantages of the region to other areas/regions of comparable size and make-up to identify regional workforce specialization.
- Identify attributes of the workforce that can be marketed to employers.
- Survey local employers to validate the data locally
- Assist Sacramento Works in implementation activities related to the SRRI studies.

OUTCOME: Recommendations and information that can be used by the public relations firm to market Sacramento Works to employers in the largest and fastest growing job categories.

OUTCOME: Recommendations on actions that will insure that jobseekers can access training that will prepare them for jobs that are in demand in the region and can identify "portable" skills...skills that may be transferable to other industries.

OUTCOME: Gap analysis, identification of priority skills sets, and recommendations on use of WIA resources to ensure that education and training providers teach high priority skills.

Assessing the Regional Workforce

Introduction

A highly-skilled workforce is an important asset to a region's business community. The skills of the workforce must be applicable to current local business demands and must also be transferable to new employment opportunities created by anticipated shifts of the region's economy. The skill level of a local workforce is a major characteristic considered by businesses that are interested in relocating, expanding, or starting up in a region. Previously, businesses were concerned with benefiting from lower cost labor, at the sacrifice of higher or more appropriate skill levels. Businesses today are more focused on obtaining quality employees, rather than lower cost. This makes developing and training the local labor force a critical part of attracting businesses to the Sacramento Region.

Sacramento Works, Inc. is tasked with preparing the Sacramento Region's workforce for employment in the local business community, as defined in the organization's mission statement: "Sacramento Works unites business, education and public agencies to assure qualified and trained workers are available to meet the needs of the region's economy." Not only must Sacramento Works address current job opportunities, but the organization must also be aware of the changes taking place in the economy. Sacramento Works' business plan provides strategies in how the organization will succeed in this goal and its overall mission. As identified in its business plan, Sacramento Works, with the involvement of the business community, educators, and labor and workforce development professionals, aims to develop the workforce in order to create more job opportunities and to attract higher paying jobs to the Sacramento Region. The employment needs of the regional business community and necessary skill sets within the community guide Sacramento Works in restructuring its workforce development programs to meet its job attraction goals.

One strategy important to accomplish this goal includes assessing the regional labor market and developing programs to train and develop the workforce accordingly. A second goal set by Sacramento Works in its business plan relates to increasing "employer involvement and satisfaction through a business led initiative." This initiative, according to the plan, includes "developing regional strategies and partnerships and building an organized regional constituency to respond to the needs of employers." This goal shows how Sacramento Works' contribution to the community is aimed to be a group effort to ensure that the organization's training program meets the current and most likely future demands of local businesses.

Two studies conducted by the Sacramento Regional Research Institute (SRRI) have provided knowledge and information to assist Sacramento Works in achieving its overall mission and goals outlined in its business plan. These studies explored potential scenarios of the Sacramento Region's future development and key skills that are expected to be in demand in the future. A third study proposes to analyze current workforce

characteristics and define the Region's workforce strengths and weaknesses. In addition to addressing the goals in Sacramento Works' business plan, the studies conducted by SRRI also provided (and will further provide) a greater understanding of the Sacramento Region's workforce—a key outcome that is important to the staff of organizations focused on workforce development. Knowledge of how the regional economy may develop in the future, which skills will be in demand, and what skill sets the Region currently possesses, are vital to successfully create training programs that will meet the current and future demands of the regional business community.

Economic and Workforce Development

The Sacramento Region is expected to continue to grow at a strong pace. Growth includes an increase in residents and businesses within a region, which ultimately can stimulate job growth. Although growth can bring vitality to a region, it is important that this growth improves the quality of life within a community. For example, a new company that brings in low-wage jobs to a region does not necessarily improve the economy, even though it is increasing employment opportunities. This is where economic development comes into play. Economic development is a process with a focus on increasing employment opportunities and attracting companies with higher wage jobs to a region, which is also a major objective of a workforce development organization such as Sacramento Works. In addition to increased employment opportunities and higher wage jobs, other quality of life factors, such as a better education system, emerge with successful economic development efforts.

There is a difference in what economic development planners and workforce development leaders are interested in when assessing employment opportunities. Planners in economic development organizations primarily focus on what industries are found within a region and which ones show strong economic potential in the region's future. These planners' also must assess the types of jobs, occupations, and skills that exist to support industry growth. The primary focus of organizations involved in employment training (like Sacramento Works), however, is job skills. While economic and workforce development interact, they are most appropriately seen as complimentary programs—one which focuses on creating more and better jobs opportunities (economic development) and the other that addresses the skills necessary to fill and obtain these employment opportunities (workforce development).

To clarify, industries, jobs, and skills can be viewed on three different levels. An industry is a major header, describing the main focus of a particular firm. For example, a company that builds houses would be included in the construction industry. Jobs, or occupations, can be linked to many industries and entail the responsibilities of a particular position. Skills are what are required to successfully perform a job. An example of a low-skilled occupation is a human resource assistant (except payroll and timekeeping). General job skills for this position are compiling and typing reports from employment records, filing, and having a knowledge of personnel recruitment. This occupation can be found in a large range of industries (such as construction, insurance

carriers, and retail trade). An example of a low to moderate-skilled job that is included in all industries is a general maintenance and repair worker. Skills involved for this position include knowledge of materials, methods, and the tools involved in the construction or repair of buildings, such as pipe fitting, boiler making, insulating, and welding.

In the past, there has been only a moderate level of connection between the region's economic development goals (the types of firms and industries being sought to enhance economic growth and development) and the workforce and educational planning processes (both those of public agencies and educational institutions). Workforce planning and training basically supports economic development. Both points of views have a primary goal of creating more job opportunities and attracting higher wage jobs for the region's workforce. The important factor in this is that local workforce's skills must match the job opportunities offered by local companies and those companies that are being attracted to the region through economic development efforts. If the local workforce does not possess the required skills, these businesses may move or expand elsewhere. For this reason, it is imperative that business attraction efforts go hand-in-hand with workforce development to ensure that a region's workforce has the skills the meet current business demand. In addition, the workforce skills must also meet the most likely future demands that arise from new companies moving into the region and the way in which jobs are performed. These objectives, increasing job demand, attracting higher wage jobs in the region, and preparing the workforce to fulfill the demands of the business community, are primary objectives of Sacramento Works, as stated in its business plan. It is important for Sacramento Works to keep abreast of structural changes in the Sacramento Region's economy to ensure that the workforce possesses competitive skill sets that will continue to be demanded in the future.

Changing Workforce Planning Environment

The economic and employment structure within the Sacramento Region is in a state of rapid change. Economic structural change means that some of the major industries previously represented within the Region are losing their dominance to emerging industries. This change in industry structure naturally leads to changes in the types of jobs in demand and, ultimately, employee skills required to support new jobs (change in employment structure).

There are several reasons for the rapid change in the demand for specific job categories. One reason is the rapid restructuring (changes in industry types) experienced by the Sacramento Region economy. The most noted shift involves a change in focus from manufacturing and goods distribution to a more services-based economy. A second reason for the rapid changes is that business processes are changing within industries, producing a shift in the job categories and the related skills used to create specific goods and services. One of the most prevalent trends in changing business processes is the substitution of digital processing and technology for processes that were formally more labor intensive. As a result, the mix of job categories within specific industries is significantly changing. Simultaneously, qualified employees have become more mobile

between job categories, as many of the basic job skills can be used in a variety of jobs. Industries are also becoming more dependent on and linked to each other. This concept relates to the effect observed when an employment increase in one industry creates large increases in employment in other linked industries. Finally, within specific job categories, the levels and ranges of skills and training required for success are increasing. One such shift is occurring in the move from manual skills to digital technology skills.

Rapid shifts in employment structure are forcing workforce planning processes to change. As shifts in job types occur, the response time for workforce training is becoming longer than the rate of change in job requirements (i.e. workforce training is not keeping up with job demand). Workforce planning processes have traditionally relied on the analysis of current supply and demand within specific job categories. A new approach to workforce planning, focusing on skill sets and future demand, will better meet the needs of the rapidly changing structure of the Sacramento Region's economy.

The Need for a Job Skill Set Focus

An appropriate response to the economic changes in the Sacramento Region may be to shift to a more fundamental approach focused on skill sets and jobs, rather industry types. This new approach requires coordination between economic development planners and workforce development leaders. There are currently several areas of disconnect between economic development and workforce planning. While there are many highly successful industry-specific or job-specific training programs designed to fill the immediate needs of specific new industries, there is a lack of long-range integration in the two processes. Because of the rapid changes in industry and job categories, the increasing mobility of skilled employees, and the linkages between industry sectors, the traditional analysis of job supply and demand is becoming harder to perform and less likely to accurately create long-range projections. These projections are necessary to determine appropriate employment training programs. Coordinated efforts between leaders focused on economic development and workforce development would help in preparing these long-range projections to increase the knowledge base of the Sacramento Region's workforce. The knowledge base can be established for a wide range of skill levels even when it cannot be linked to specific jobs or industries. It is evident that this knowledge base is increasingly portable between industries and jobs; therefore, the change of focus would benefit a wide range of jobs and industries. Overall, this skill-set approach would put regional workforce training in a proactive mode, rather than a reactive mode, allowing Sacramento Works to meet its objective of understanding and fulfilling the employment needs of the business community.

The skill set approach links the economic development and workforce development processes in a way that meets the needs of both viewpoints. The linkage could potentially translate into a workforce that can adapt quickly to unpredicted changes in economic or job trends, avoid job obsolescence, and stimulate the ability of the Sacramento Region to accommodate innovation—all of which are key economic development objectives. This approach also allows Sacramento Works' to meet its

objectives of “identifying the skill sets necessary and important to the business community” and “improv[ing] skills to achieve upward mobility and increased wages.”

Two studies previously conducted by SRRI address these changes in the Sacramento Region’s economy and provide detailed analysis of skill sets that will be in demand in the Region’s future. A third study proposes to assess the Region’s current job skills and tie this assessment into the previous studies. Combined, these three studies provide a current and future outlook of the regional workforce skills and identify any knowledge gaps that should be addressed by Sacramento Works. They provide the organization with knowledge to restructure its workforce development programs to meet the needs of the business community. A summary of each study is provided below.

Study #1: The Changing Structure of the Sacramento Region Economy

SRRI’s first study identified changes which have occurred in the Sacramento Region’s economic composition (types of industries in the Region), and changes which are likely to occur in the coming decades. The report created a better understanding of the changes in industry sectors, job categories, and education or skill levels of employees required to support the Region’s economic development. An understanding of why the regional economy has changed and why it will continue to change is important in developing workforce development programs. This information enables workforce development leaders to keep current with how the structure of the Region’s economy affects employment training efforts—a major focus in Sacramento Works’ business plan. The idea of linkages between industries was also introduced in this study. These linkages may induce a large number of jobs in apparently unrelated industry sectors, many of which have moderate or lower skill requirements. Another point discussed in this study was the possibility of missed opportunities in linking economic development and workforce development to create a better view of the Region’s workforce and training needs.

Three potential scenarios of the Sacramento Region’s future development were discussed in the first study. The first scenario related to absorption into the San Francisco Bay Area where high housing costs and transportation problems have led those residents to move into the Sacramento and Central Valley Regions. The second scenario, central city of the Central Valley, discusses how Sacramento will continue to serve the ever-increasing population of the Central Valley. In the final scenario, the Sacramento Region generates its own economic niche by combining its potential for high technology manufacturing, biotechnology manufacturing, and information technology into a multi-technology cluster with the sectors linked by a workforce that shares similar skills.

Study #2: Analysis of Workforce Skill Sets

SRRI’s second study provided a forward-looking view and focused on the skills sets that the Region’s workforce must possess to meet the demands of jobs within industries that

have the greatest potential for growth and development in the future. Based on a comprehensive analysis of industry employment in the Sacramento Region and interviews with employers, 15 industries sectors were identified that demonstrate the greatest potential for economic development in the Region. These 15 emerging industry sectors house over 350 low-skilled and close to 50 moderate-skilled jobs that are projected to either maintain current employment levels or see increases by 2010. Feedback from workers within the jobs that are part of the 15 emerging industries in the Sacramento Region was requested to determine the most important skills for successful job performance. These skills included, but were not limited to, reading comprehension, customer and personal service, mathematics, clerical, and computer and electronics. Major employers in the emerging industries also stressed a similar overall set of knowledge and skills, but highlighted the need for “soft skills” that they viewed as becoming more important than previous work experience or related training.

This set of knowledge and skills represent the overall workforce training needs in the Sacramento Region that are directly related to the industries with the greatest economic development potential and are transferable across a wide range of jobs and industries. Understanding what skill sets will be in demand for emerging industries within the Sacramento Region will allow economic development and workforce training planners to work together in ensuring that the workforce is ready for jobs in these emerging industries. This strategy is in line with Sacramento Works’ business plan in that it allows the organization to work with planners to ensure that the workforce is appropriately skilled to fulfill increased job demand and to attract businesses with higher wage jobs. This study also provided Sacramento Works guidance in how its training programs can be restructured to meet the demands of current and future employers in the Sacramento Region.

Proposed Study #3: Regional Workforce Study

The third study related to workforce development that SRRI is proposing will provide a current-based view on existing workforce attributes in order to link the current environment (study #3) to the forward-looking analysis (studies #1 and #2) with Sacramento Works’ goals. The third study assesses the regional labor market so that training programs can be developed to fill in the gaps of what skills the workforce currently offers (study #3) and what skills will be in demand in the future (studies #1 and #2). A region with a competitive and skilled workforce has an advantage in attracting more companies for greater employment opportunities and higher wage jobs. All of these deliverables align with Sacramento Works’ business plan primary objectives of creating job demand, attracting higher wage jobs and meeting the needs of the business community. Overall, the study will provide a greater understanding of the Sacramento Region’s workforce, information to market the workforce to employers, and a foundation to guide Sacramento Works’ programs and other education and training offerings throughout the Region.

While there is a wide array of information and studies examining the Region's economy, the focus is typically on industry information. Existing research examining the job aspects of the Region's economy is limited in scope and availability.

The third study proposes an analysis of the structure, characteristics, and advantages of the Sacramento Region's workforce, as defined by its job categories. Overall, the analysis will define the workforce strengths and weaknesses based on comparisons to other areas, ability to support economic development and growth, and contribution to the Region's overall employment environment.

Major task areas for the research project will include:

- Study the Sacramento Region's job make-up (types of jobs in the region) over time and compare this make-up to other areas in order to identify in which jobs and skill sets the Region has an advantage
- Analyze the training and educational requirements in Sacramento's job structure to assess the general make-up of the workforce training and education levels
- Examine the overall knowledge and skill demand for the Region's major job categories
- Compare the findings to the analysis conducted in SRRI's previous study—find knowledge and skill areas in which the Sacramento Region may need to develop in order to meet future job demands
- Conduct a limited number of surveys with major employers to validate the data analysis related to knowledge and skill demand
- Identify general workforce advantages and opportunities based on the above tasks
- Assist Sacramento Works in implementation activities related to this project and the past two projects

Additional Proposal Details

Delivery of the research project will be within six months of authorization and initial funding. The proposed fixed cost for the research project is \$45,000. This cost includes a presentation of the report as well as all overhead, direct and indirect costs, transportation expenses, and other items. Additional meetings, presentations, hearings, and other public information activities are not included but can be provided at additional negotiated cost. A payment and deliverable schedule will be negotiated at the time of contract execution.

ITEM III-B - ACTION

APPOINTMENT OF SACRAMENTO WORKS REPRESENTATIVE ON THE PARTNERSHIP FOR PROSPERITY LEADERSHIP COUNCIL

BACKGROUND:

At the December 1, 2004, Sacramento Works Board meeting, the Board approved investing \$10,000 in the newly created economic development strategic plan for the Greater Sacramento Region titled "Partnership for Prosperity". As a key regional organization, the Sacramento Works, Inc. board would appoint a single representative from the board to serve on the Leadership Council of this effort. Executive Director Kathy Kossick will serve on the Partnership Council for this effort.

RECOMMENDATION:

Appoint a member of the Sacramento Works board to serve on the Leadership Council of the Partnership for Prosperity.

ITEM IV-1 - INFORMATION

COMMITTEE UPDATE

BACKGROUND:

This item provides an opportunity for a report from the following committees:

- Youth Council
- Planning/Oversight Committee
- Employer Outreach Committee

ITEM IV-2 -INFORMATION

PRESENTATION OF THE 2004/2005 OCCUPATIONAL OUTLOOK & TRAINING DIRECTORY

BACKGROUND:

This annual publication is produced by Sacramento Works, Inc. and the Sacramento Employment and Training Agency (SETA). The report is the most comprehensive volume of local occupation and training information available. The publication is comprised of three major sections: a series of **occupational profiles** based on surveys with local/regional employers; a comprehensive multi-county directory of the region's **education and training providers**; and an **occupation/training index** (an index of occupations and the local education/training providers who offer related training for those occupations).

ITEM IV-3– INFORMATION

REPORT ON EMPLOYER/EMPLOYEE DISLOCATIONS

BACKGROUND:

Attached is the most current dislocated worker report. Staff will be available to answer questions.

Dislocated Worker Information PY2004/2005

The following is an update of information as of January 13, 2005 on the Worker Adjustment and Retraining Notification (WARN) notices and
Non WARN notifications in Sacramento County

WARN Status	Month Received Notice	Company and Address	Dislocation Date	# of Affected Workers	SETA's Intervention
Unofficial	6/03/04	Pacific Gas and Electric Company Sacramento Records Office 10375 Old Placerville Road Sacramento, CA 95827-2506	8/02/04	59	Union Displacement Services
Unofficial	6/15/04	McClellan Defense Commissary Agency Building 949 McClellan Business Park	8/27/04	23	7/28/04
Unofficial	6/24/04	Sprint 3075 Prospect Park Drive Rancho Cordova, CA	10/30/04	37	7/15/04 & 7/30/04
Official	7/02/04	Brown & Williamson Tobacco Corporation 3100 Zinfandel Drive, Suite 280 Rancho Cordova, CA 95670	8/31/04	38	Mailed Dislocation Material
Unofficial	7/02/04	Kik No Cal 8600 23 rd Avenue Sacramento, CA	7/30/04	19	7/27/04
Unofficial	7/27/04	Sacramento Association for the Retarded 1791 Tribute Road, Suite A Sacramento, CA 95815	9/17/04	15	8/13/04
Official	8/04/04	EDS 1088 White Rock Road Rancho Cordova, CA 95670	10/18/04	82	Delivered Dislocation Material

Unofficial	8/19/04	Doppelmayr Ctec 3 Wayne Court Sacramento, CA 95828	10/15/04	40	8/31/04
Unofficial	8/25/04	Washington Mutual 2710 Gateway Oak Drive, Suite 200 Sacramento, CA 95833	10/15/04	34	9/14/04
Official	9/01/04	Kmart Corporation 2000 Howe Ave, Store #4408 Sacramento, CA 95825	10/25/04	100	Delivered Dislocation Material
Unofficial	10/06/04	Northern California Behavioral Health 11070 White Rock Road, Suite 200 Rancho Cordova, CA. 95670	12/01/04	40	11/03/04
Official	10/15/04	Sacramento Automotive & Training Facility (AAA) 8687 Weyand Avenue, Sacramento, CA. 95828-2641	12/31/04 through 07/01/05	32	Pending
Unofficial	10/25/04	T & N Manufacturing 8550 Tiogawoods Dr. Sacramento, CA 95828	6/30/04 through 11/15/04	9	Employer Declined Services
Official	11/05/04	Branch: Bank Of Lodi 1415 L Street, Suite 100 Sacramento, California 95815	1/03/05 through 1/17/05	6	Pending (Merger)
Official	11/05/04	Branch: Bank Of Lodi 111 Woodmere Road, Suite 200 Folsom, CA. 95630	1/03/05 through 1/17/05	3	Pending (Merger)
Official	11/05/04	Branch: Bank Of Lodi 13389 Folsom Boulevard, Suite 100 Folsom, CA 95630	1/03/05 through 1/17/05	8	Pending (Merger)
Official	11/05/04	Western-Hoegee Co. 9706 Fair Oaks Blvd., Suite No. 135 Fair Oaks, CA 95628	1/04/05	1	Business Purchase /Layoff

Unofficial	11/23/04	Internal Revenue Service Western Area Distribution Center 3041 Sunrise Blvd. Rancho Cordova, CA 95742	3/05/05	35	12/07/04
Official	1/03/05	Cingular 2729 Prospect Park Drive, Suite 200 Rancho Cordova, California	3/07/05	2	Pending
Official	1/13/05	Ralphs Grocery Store # 958 2280 Sunrise Blvd., Rancho Cordova, CA 95670	3/13/05	57	Pending
Official	1/13/05	Ralphs Grocery Store # 967 6737 Watt Ave., North Highlands, CA 95829	3/13/05	43	Pending
			Total # of Affected Workers	<u>683</u>	Pending

ITEM IV-4 – INFORMATION

ACCOMPLISHMENTS OF THE SACRAMENTO WORKS, INC. EMPLOYER OUTREACH COMMITTEE

BACKGROUND:

At the Strategic Planning Retreat in 2003, the Employer Outreach Committee was charged with implementing the following strategic goal of Sacramento Works, Inc.:

GOAL – Develop a Private-sector Driven Initiative to Increase Employer Involvement and Satisfaction. The Board will increase employer involvement and satisfaction with the workforce system by developing a comprehensive business led employer outreach and marketing plan and measuring employer customer satisfaction.

Actions/Objectives included:

Develop strategic alliances with key organizations to identify private sector workforce needs
Coordinate better with local workforce organizations
Change perception as government agency. Merge public and private sectors
Develop strategic partnerships with employers
Develop a strong regional marketing program for Sacramento Works
Market SWI as vehicle for employment solutions
Educate employers and job seekers through marketing efforts
Introduce hiring managers to one stop managers
Increase visibility in the business community

ACCOMPLISHMENT: DEVELOP STRATEGIC ALLIANCES WITH KEY ORGANIZATIONS TO IDENTIFY PRIVATE SECTOR WORKFORCE NEEDS

The Employer Outreach Committee recommended that Sacramento Works, Inc. collaborate with the Sacramento Regional Research Institute (SRRI) to conduct two studies to identify private sector workforce needs. SRRI is a joint venture of the Sacramento Area Commerce and Trade Organization (SACTO) and California State University, Sacramento (CSUS), two key economic development and education partners in the region. SRRI provides a full range of economic and demographic research services to government entities, business, and non-profit organizations. The results and return on investment of the Regional Workforce Studies are summarized below:

Study 1

In April 2003, SRRI presented “**The Changing Structure of the Sacramento Region Economy**”, a study that identified changes in the region’s industry composition over time for the purpose of better understanding the changes in industry sectors required to support the region’s economic development.

Outcomes/Uses of Study 1 - The Changing Structure of the Sacramento Region Economy

- ➔ Provided Sacramento Works, Inc. board and staff with an historical perspective of the Region's development.
- ➔ Introduced the "economic multipliers" tool, which can be used to project the total impact of adding new firms or expanding the number of employees at existing firms on the supplier and consumer sectors of the workforce.
For example, the economic multiplier of hiring 1 residential construction worker is 2.4. This means that for every 1 residential construction worker that is hired there is another 1.4 new jobs created in the supplier and consumer sectors.
- ➔ Provided information used by Sacramento Works, Inc. to select critical industries that will continue to grow in the region. Scholarships and training funds in the region are now targeted towards training workers in critical industries.
- ➔ Identified the possibilities for the region in the coming decades:
 - ✓Absorption into the San Francisco Bay Area
 - ✓Center City of the Central Valley
 - ✓Multi-Technology Cluster that specializes in Technology Manufacturing, Biotechnology and Information Technology

Study 2:

In February, 2004, SRRI presented the "**Analysis of Workforce Skills Sets**", a comprehensive analysis of industry employment in the Sacramento region that identified 15 industries that demonstrated the greatest potential for business attraction and growth in the region and ten (10) workforce skills sets that are critical for successful job performance in these 15 industries. The project was based on both data analysis and surveys of employers and attempted to look to the future rather than taking into account the current environment.

Outcomes/Uses of Study 2- Analysis of Workforce Skills Sets

- ➔ Identified the 15 emerging industries in the region with the greatest potential for economic development.
- ➔ Identified 350 low-skilled and 50 moderate skilled occupations that are projected to maintain or increase current employment levels by 2020.
- ➔ Identified ten skills sets that are common to the 400 low-skilled and moderate skilled occupations projected to grow.
- ➔ Validated results with local employers, who confirmed the findings and added "soft skills" or employment readiness skills to the list.
- ➔ Served as the basis for selection of the WorkKeys as Workplace Skills Assessment and Certification system for the region.

Specific Regional Industry and Workforce Skills Sets Comparison

15 Industries with Greatest Potential for Economic Development	Corresponding Sacramento Works Critical Industry
Administrative, Support, & Waste Services	Financial and Customer Service
Ambulatory Health Care Services	Healthcare and Biotechnology
Computer & Peripheral Equipment Manufacturing	Advanced Manufacturing
Computer Systems Design & Related Services	Information Technology and Telecommunication
Construction of Buildings	Construction
Educational Services	
Heavy & Civil Engineering Construction	Construction
Information	Information Technology
Insurance Carriers and Related	Financial and Customer Service
Non-depository Credit Intermediation	Financial and Customer Services
Retail Trade	
Semiconductor and Electronic Component Manufacturing	Advanced Manufacturing
Social Assistance	
Specialty Trade Contractors	Construction
State and local Government	
	Hospitality/Tourism
	Maintenance and Repair

10 Workforce Skills Sets Identified by SRRI	Corresponding WorkKeys Skills Sets Identified by ACT
Reading Comprehension	Reading for Information
Active Listening	Listening
Speaking	
Writing	Writing
Mathematics	Applied Mathematics
English Language	
Clerical	Locating Information
Computer and Electronics	Applied Technology
Customer and Personal Service	
Soft Skills/Employability Skills	Observation Teamwork

ACCOMPLISHMENT: IMPLEMENTATION OF MARKETING PLAN AND PROCUREMENT OF PUBLIC RELATIONS FIRM

In 2004, The Employer Outreach Committee presented a Marketing Plan to the Sacramento Workforce Investment Board for the purpose of:

- Increasing the visibility of Sacramento Works, Inc. in the community such that the organization is recognized and utilized by business,
- More effectively develop and coordinate strategic alliances among local workforce development organizations,
- Developing strategic partnerships with employers, and
- Benchmarking employer customer satisfaction with Sacramento Works, Inc.

The plan includes the following components:

- A. Critical Industry Advisory Boards
- B. Marketing Materials
- C. Community Events & Job Fairs
- D. Community Partnerships
- E. Public Relations Programs
- F. Employer Outreach Surveys
- G. Research Programs

The marketing plan includes measurable outcomes that are utilized to determine progress towards accomplishing the objectives in the marketing plan. The plan included a cost schedule which set aside \$164,990 to implement the marketing plan.

In September, 2004 the Employer Outreach Committee released a Request for Quote for a public relations/marketing firm to implement the Marketing Plan. Three finalists were interviewed by the committee and the committee is recommending approval of MMC Communications.

ACCOMPLISHMENT: SURVEYING EMPLOYER CUSTOMER SATISFACTION AND FACILITATING EMPLOYER FOCUS GROUPS

A system to collect employer data from career centers on an ongoing basis and survey employers for customer satisfaction was implemented in 2004. The employers included in the survey are those who have received a “substantial service” from staff in the Sacramento Works One Stop Career Center System. This telephone survey is conducted by SETA’s Sacramento Work’s staff and consists of eleven (11) questions. Survey data collection is continuous and SETA staff surveys every employer within 90 days after receipt of services. The survey results are shared with regional planners, SETA partners and staff and are used to continually improve the services targeted for the employer customer.

In September, 2004, the California Association of Employers volunteered to facilitate focus groups to determine how career centers can better serve employers. These focus groups are information gathering focus groups. Three focus groups have been facilitated. CAE found it difficult to get employers to attend the focus groups and is reassessing the format and process of the focus groups for the future.

ITEM IV-5 – INFORMATION

CAREER AND TECHNICAL EDUCATION HIGHLIGHTS

BACKGROUND:

Attached are highlights on Career Technical Education in California. Staff will be available to answer questions.

JOINT PRESS STATEMENT

MONDAY, JANUARY 10, 2005
cwalker@nossaman.com

CONTACT: CHRIS WALKER (916) 261-8939 or

Governor's 2005-06 Budget Proposal for a Strengthened K-14 Career and Technical Education System Provides Historic Support for Children and the California Economy

SACRAMENTO -- The employer groups, trade associations and labor unions listed below join hands to applaud Governor Schwarzenegger's bold efforts to better align California's public education system with the needs of California students and our 21st century economy. In an historic move, the Governor has called for increased attention and support for the state's career and technical education (CTE) system in both his "State of the State" address and his proposed 2005-06 budget.

In his budget, Governor Schwarzenegger is proposing to change the culture of school districts to place a higher priority on career and technical education. The Governor's proposal will create more CTE instructors and classes in the K-14 public education system. His proposal recognizes that CTE provides a sound foundation by which many thousands of students may be kept in school longer, be prepared for productive well-paying jobs, and become more employable in our growing 21st century economy.

Currently, 30% of California's ninth graders do not graduate from California's high schools while hundreds of thousands of highly-paid skilled jobs go unfilled each year. The current disconnect between student preparation and the jobs provided by California employers damages the income opportunities for students and fails to support the future growth and competitiveness of the California economy.

In his State of the State Address and his 2005-06 Budget Proposal, the Governor clearly recognizes that both our students and economy will benefit from increased opportunities for CTE in our public school system.

CTE improves student opportunities. Studies and "real-world" experience have shown that the benefits of career technical education include improved high school attendance and grades, higher graduation rates, the same or higher rate of enrollment in higher education, and improved employment options upon graduation.

CTE improves California's economic opportunities. California's education system functions best as a workforce preparation system when aligned with the state's economy and labor market. The majority of jobs in the California labor market require education and training beyond the high school level, and this proportion is expected to increase over the decades to come. These skilled jobs are in a range of industries in the California economy, and are not only those jobs for which a bachelor's degree is needed.

In the interest of our students and state economy, we support the Governor's efforts in his 2005-06 budget proposal to establish a vibrant career and technical education system within our public schools.

LIST OF PARTICIPATING GROUPS

Alliance of Automobile Manufacturers

Associated General Contractors of California

Automotive Repair Coalition

California Association of Sheet Metal and Air Conditioning Association

Contractors' National Association

California Building Industry Association

California Landscape Contractors Association

California Manufacturers and Technology Association

California Motor Car Dealers Association

California Restaurant Association

California Service Station and Automotive Repair

Association

Golden State Builders Exchanges

Orange County Business Council

State Building and Construction Trades Council

Western States Council of Sheet Metal Workers

Budget Excerpts

K thru 12 Education

Achieving High Academic Standards Through Healthy and Effective Learning Environments

In communities across the state, teachers, principals, and school administrators are working to improve pupil achievement and the Administration is committed to equipping them with tools to help them succeed. The Administration aims to reduce bureaucracy and make more resources available to serve students in schools, ensure that schools that are failing, fiscally and academically, are provided the necessary accountability and training to create healthy and successful schools, and provide more opportunities for students in school through the following initiatives:

Investing in California's Future:

Expanding career technical education programs.

Achieving High Academic Standards Through Healthy and Effective Learning Environments

Career Technical Education Reform

The Administration proposes a series of reforms to ensure that all students have educational opportunities that lead to successful employment in a variety of career fields. The Administration calls upon school districts to begin a renewed emphasis on providing students a career technical education pathway to success. The Career Technical Education Reform plan builds upon successful programs in the K-12 and community college systems, expands course offerings, and helps meet the demand for career technical instruction.

To expand the use and effectiveness of career technical education in California, the Administration's approach supports the following:

Increasing student and faculty awareness of vocational and technology-related careers.

Expanding the capacity of K-12 schools and community colleges to provide more coordinated instruction to students in these career fields.

Revising teacher requirements to ensure sufficient numbers of well-prepared faculty are available to provide this cutting-edge instruction.

Designing system measures to evaluate a school's performance in preparing students for careers.

Supporting the Higher Education Compact's goal to have the University of California (UC) and the California State University (CSU) review and accept high school courses that integrate academic and career-technical course content.

Specific reform components include:

EXPLORING CAREER TECHNICAL EDUCATION OPPORTUNITIES IN MIDDLE SCHOOLS

The Administration proposes expanding students' exposure to career technical education by requiring all middle school students to take an introductory level career-technical education course covering a variety of career fields in lieu of one of the current elective course offerings.

REFOCUSING THE ROLE OF THE CALIFORNIA OCCUPATIONAL INFORMATION COORDINATING COMMITTEE (COICC)

The Administration proposes working with COICC to refocus their efforts to ensure that career information is distributed to all middle school and high school counselors. This entity is currently charged with collecting and distributing occupational information to program planners and youth and adult students.

REFORMING ALTERNATIVE CREDENTIALING REQUIREMENTS FOR K-12/CALIFORNIA COMMUNITY COLLEGES CAREER EDUCATION FACULTY

To meet the demand for middle and high school teachers with current knowledge of industry-relevant workforce skills, the Administration proposes reforming teacher credentialing, particularly for K-12 schools, by creating consistent requirements between both segments. These changes will help to ensure a sufficient supply of the most knowledgeable instructors within each career sector. (See the Higher Education major program area summary for additional discussion.)

REVISING THE COMMUNITY COLLEGE 75/25 REQUIREMENT

In order to allow community college districts to employ as many current professional practitioners as course demand dictates, the Administration proposes excluding career-technical education courses offered by community colleges from application of the 75 percent full-time faculty requirement. This change will help districts hire sufficient faculty with the most up-to-date knowledge of current entry-level skill standards. These skills are not always available from tenured full-time faculty. (See the Higher Education major program area summary for additional discussion.)

EXPANDING COMMUNITY COLLEGE ECONOMIC DEVELOPMENT EFFORTS TO K-12 SCHOOLS

The Administration proposes greater coordination of community colleges with K-12 schools in career technical courses through the expansion of the community college Economic Development Program. As also discussed in more detail in the Higher Education summary, the Budget provides \$20 million to create courses that are articulated between K-12 and community colleges. This proposal builds on the Economic Development Program's successful integration with business and emerging industries and the effective Tech Prep Model (also known as the 2+2 Model).

The Tech Prep program establishes an articulated series of career technical courses beginning at high schools and continuing to community colleges. Specifically, the program involves two years of secondary-level education in core proficiency areas and technical knowledge related to specified career fields that meet the prerequisite requirements of a two-year institution. After completing these core requirements, students progress to a two-year postsecondary education institution for more rigorous,

career-specific, and worksite-based training that culminates with the completion of an associate degree or certificate in the career field. By aligning career-technical education curriculum between K-12 and community colleges to more targeted industry-driven programs, the State can successfully expand career options for students.

IMPROVING THE SCHOOL ACCOUNTABILITY REPORT CARD (SARC)

Currently the SARC does not adequately measure public schools' effectiveness in preparing students for successful skilled technical careers. The Administration proposes revising the SARC to include additional measures that evaluate schools' performance in offering career-technical education coursework, employing qualified career technical education teachers, and the success of students engaged in these courses.

SUPPORTING THE HIGHER EDUCATION COMPACT'S GOALS FOR CAREER-TECHNICAL COURSE CONTENT

To ensure better articulation of career technical education between K-12 and higher education, the Higher Education Compact requires UC and CSU to encourage, review, and approve as meeting "a-g" requirements high school college preparatory courses that integrate academic and career-technical course content. (See the Higher Education major program area summary for additional discussion.)

Higher Education Higher Education Initiatives

While the basic funding needs for the four-year higher education segments have been addressed through the Compact and the Community Colleges funding levels are a large part determined through the benefits of the Proposition 98 Guarantee, the Administration believes all segments need to work closer together to advance the best interests of all students and our economic future. In this respect the Governor encourages more involvement of the college and university systems to utilize their capacity to assist K-12 schools in two major areas where improvement is needed. Those areas include reinvigorating the relevance and availability of career technical education so that pathways for success are available for all students, and to improve the supply of highly qualified math and science teachers to ensure California is able to maintain its leadership in industries requiring employees with high levels of those necessary skills in order to propel our economy in the future.

Higher Education Initiatives Economic Development and Career Technical Education Reform

As discussed in the K-12 program summary, the Administration is committed to improving the link between all education segments in preparing students for highly skilled emerging careers in the continually advancing California economy. The reforms proposed for K-12 career technical education have an important link to the California Community Colleges Economic Development Program. The mission of this program is to advance California's economic growth and global competitiveness through quality education, and services focusing on continuous workforce improvement, business

development, and technology deployment. There are 101 Regional Centers administered by the community colleges throughout the state. Regional Centers implement industry aligned career training programs focused on one of ten categories or "initiatives" such as Health Occupations, Advanced Transportation Technologies, Small Business Development Centers, or International Trade Development. The Regional Centers provide services to students and industries such as developing new instructional curriculum, developing instructional materials, and conducting aligned faculty training, seminars, and workshops. In addition to Regional Centers, the program includes competitive grant-funded Regional Collaboratives, which provide incentives for businesses in key regional growth industries to partner with colleges to train students to be employable in these industries and to upgrade the skills of the existing workforce to ensure competitiveness. These Regional Collaboratives augment the types of businesses that can participate in the colleges' Economic Development Program's Regional Centers and focus on high impact, emerging industries that are identifiable economic development priorities for specific regions.

By increasing the capacity of the Economic Development Program and other reforms, the Administration proposes to improve the coordination and articulation of curriculum between K-12 and community college career technical education programs to create a more seamless and effective system, as well as to increase relevant course availability for K-12 students. To ensure successful integration, the Administration proposes the following funding increases and reforms that affect higher education segments:

Expand Community College Economic Development Efforts with K-12 Schools - The Budget provides \$20 million to create new articulated courses between K-12 and community colleges by building on the community colleges Economic Development Program's successful integration with business and emerging industries. By aligning career-technical education curriculum between K-12 and community colleges to more targeted industry-driven programs through the existing Tech Prep 2+2 model, the State can successfully expand the career options for students. As also discussed in the K-12 program summary, the 2+2 program focuses on two years of secondary-level education in core proficiency areas and technical knowledge related to specified career fields that meet the prerequisite requirements of a two-year institution. After completing these core requirements, students progress to a two-year postsecondary education institution for more rigorous, career-specific, and worksite-based training that culminates with the completion of an associate degree or certificate in the career field.

Reform Alternative Credentialing Requirements for K-12/CCC Career Education Faculty - Attrition, and out-of-date credentialing requirements for faculty providing career technical and vocational instruction threaten the State's ability to meet the demand for industry relevant workforce preparation. As discussed in the K-12 program summary, the Administration proposes to reform K-12 and community college instructor credentialing by creating consistent requirements between both segments that will ensure a sufficient supply of the most knowledgeable instructors within each career sector. Credentialing requirement alignment will also facilitate improvements in successfully integrating new K-12 and community college vocational and career technical curriculum.

Revise the Community College 75/25 Requirement - Current law penalizes community college districts from utilizing part-time faculty by requiring that no less than 75 percent of credit instruction be taught by full-time faculty. While the Administration recognizes the benefits of full-time faculty in most academic disciplines, it also believes the relevancy of cutting edge career technical and vocational education should not be impeded by this requirement. As discussed in the K-12 program summary, in order to provide community college districts with the ability to employ as many current professional practitioners as course demand dictates, the Administration proposes to exclude career technical education courses offered by community colleges from application of the 75/25 requirement. This change will ensure districts can hire sufficient faculty who have the most up-to-date knowledge of current entry level skill standards, which is not always available from tenured full-time faculty.

Finally, it is noted that the Higher Education Compact reflects commitments by both UC and CSU to support expansion of career technical education courses by ensuring articulation of high school career preparatory courses that integrate academic "a-g" requirements, and through other activities. For example: UC continues to work closely with the State Department of Education (SDE) and schools/districts around the state to promote the development of high school courses that successfully integrate academic and career technical content. A study released by the SDE in October 2004 reported that UC has accepted 3,336 career technical courses to meet the "a-g" subject area requirements. This total represents a 59 percent increase over the previous year.

In a strong, public endorsement of the integration of academic and career technical course content, the November issue of UC Notes led with an article entitled "Choosing the Right Course: College Prep, Career Tech or Both?" This newsletter was distributed to 10,000 high school counselors, administrators, and others.

During the past year, the UC Director of Undergraduate Admissions participated as an active member of the California Career Technical Education Model Curriculum Standards and Framework Advisory Group, lending expertise to further support the growing partnership.

UC staff has presented at numerous statewide career technical education conferences, advising high school educators in ways to successfully design courses that simultaneously satisfy the UC/CSU "a-g" requirements as well as industry standards for entry into the California workforce.

ITEM V - OTHER REPORTS

1. CHAIR'S REPORT: The Chair of the Sacramento Works, Inc. Board, on a regular basis, receives numerous items of information concerning employment and training legislation, current programs, agency activities, and miscellaneous articles.

The important information from the material received and meetings attended will be shared with the entire Board and the method proposed by the Chair is to give a verbal report at each regular meeting. It will also allow time for the Board to provide input on items that may require future action.

2. COUNSEL REPORT: The Sacramento Works, Inc. Legal Counsel is the firm of Phillip M. Cunningham, Attorney at Law. This item provides the opportunity for Legal Counsel to provide the Sacramento Works, Inc. Board with an oral or written report on legal activities
3. PUBLIC PARTICIPATION: Participation of the general public at Sacramento Works, Inc. Board meetings is encouraged. The Sacramento Works, Inc. Board has decided to incorporate participants of the audience as part of its agenda for all meetings. Members of the audience are asked to address their requests to the Chairperson, if they wish to speak.