

**Workforce Investment Board
 Merced County Board of Realtors
 635 W. Main Street
 November 21, 2002, 3:00 – 5:00 p.m.
 Meeting Agenda**



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- I. Call to Order/Roll Call Chair
 - II. Approval of Agenda (2 min) Action
 - III. Approval of Minutes 9/26/02 (2 min) Action
 - IV. Public Opportunity to Speak (5 min)
 - V. Introduction of Staff (5 min) Ed McLaughlin
 - VI. Consent Agenda
 - a. Amendment to CVOC MOU.....Planning, Policy Development & Legislation (P. Fleutsch)
 - b. Amendment to MCCA MOUPlanning, Policy Development & Legislation (P. Fleutsch)
 - c. One Stop Certification Process Standards & Certification (J. Heading)
 - VII. Action Agenda
 - a. Youth Employability Card Youth Council (N. McGarry)
 - b. Expansion of JCG Youth Contract..... Youth Council (N. McGarry)
 - c. Exception to ITA Policy.....Planning, Policy; Development & Legislation (P. Fleutsch)
 - VIII. Information Agenda -
 - a. WIB Membership (Scott Galbraith).....
 - b. WIB Membership (Lee Andersen).....
 - c. WIB Membership (Albert Montejano).....
 - d. CSUS ROI Study..... Andrea Baker
 - e. Committee Structure Andrea Baker
 - f. WIA Recertification Joanne Presnell
 - g. WIB Recertification Joanne Presnell
 - h. Quarterly Reports Jackie Walther-Parnell
 - i. Westside Activity Report Bernedette Castanenda
 - j. Enterprise Voucher Status Ed McLaughlin
 - k. LMI Updates Gary Derr
 - l. Hispanic Drop-Out Rates Gary Derr
 - m. Director's Notes Andrea Baker
 - n. WIB Calendar 2003.....
 - o. Committee Photos (candid shots throughout the meeting)

- IX. Committee Reports – (*committee reports available - www.co.merced.ca.us/wi/wib/wib.html*
or faxed upon request)
 - a. Education & Employers
 - b. Marketing & Economic Development
 - c. Planning, Policy Development & Legislation
 - d. Standards & Certification.....
 - e. Youth Council

- X. Student Achievement/Graduation Requirements(45 min) Presentation/Discussion (Lee Andersen)

- XI. Chair Comments/Round Table/Future Agenda Items..... (5 min)

- XII. Other..... (5 min)

- XIII. Next Meeting.....January 23, 2003

- XIV. Adjourn.....

**Workforce Investment Board
Merced County Board of Realtors
635 W. Main Street
September 26, 2002, 3:00 – 5:00 p.m.
Meeting Minutes**



Members Present:

Andrea Baker	Nicolas Benjamin	Don Berman
Bob Bittner	Mike Boardman	Georg Brown
Sharon Cresswell	Kathleen Crookham	Ben Duran
Ernie Flores	Peter Fluetsch	John Fowler
Brian Griffin	Robert Harmon	John Heading
Leo Lamb	Nellie McGarry	Ned Miller
Anne Newins	Rick Osorio	Alfonse Peterson
Carole Roberds	Al Romero	Mike Smith
Helen Sullivan	Mike Sullivan	Steve Tinetti

Members Absent:

Susan Armstrong	Richard Becker	Bill Cahill
Dean Cormany	Harry Dull	Carol Greenberg
Charlie Lambert	Gisela Malone	Robert McLaughlin
Dave Riordan		

Others Present:

Lee Anderson	Bernedette Casteneda	Elaine Craig
Gary Derr	Eddie Harding	Edgar Lacey
Teresa Machado	Donna Ornelas	Joanne Presnell
Chuck Purcell	Jackie Walther-Parnell	

-
- I. Call to Order/Roll Call - The meeting was called to order by the Chair, Rick Osorio. Roll call taken by Donna Ornelas.
 - II. Approval of Agenda – It was M/S/C Duran/Crookham to approve the agenda as written.
 - III. Approval of Minutes – It was M/S/C Bergman/Fowler to approve the minutes of August 29, 2002
 - IV. Public Opportunity to Speak - None
 - V. Introduction of Staff – Joanne Presnell introduced Bernedette Casteneda, Program Manager of Los Banos One-Stop, Teresa Machado, E&T Specialist, Los Banos and Edgar Lacy, E&T Specialist, Los Banos. Each of the staff provided an overview of their assignment. Anne Newins noted, staff are very helpful in the Westside PLATO lab. There was discussion on the numbers of customers at the Westside and the Chair requested Westside activity report to be included at the next WIB meeting.
 - VI. Consent Agenda – Item a, b, e, f, pulled. It was M/S/C Smith/McGarry to approve items c & d.
 - a. Self Sufficiency Wage – There was discussion on the purpose of the self sufficiency wage. It was noted the self sufficiency wage is used for eligibility criteria, and although, this is a goal to place customers in jobs at this wage, it is not mandatory. The WIA requires that local WIB establish criteria for eligibility and that it be reviewed on a regular basis. It was M/S/C Tinetti/Heading to ratify the action of the WIB Executive Committee establishing the self-sufficiency wage of \$10.62.

- b. First Source Agreement – There was question as to the purpose of the agreement. It was explained that the first source agreement is a standard tool used in other Workforce Investment areas to encourage businesses to use the One-Stop services for business needs. It was M/S/C Duran/Tinetti to approve the first source language to include clarification read “prospective employee” as opposed to “candidate.”
- c. WIB Membership – Ana Pagan
- d. Dislocated Worker Grant
- e. Marketing Plan – It was M/S/C Bergman/Sullivan approve the marketing plan with the caveat that the plan be sent back to committee for discussion on the use of dual logos on printed materials.
- f. One Stop Certification Process – Mr. Headding noted that there are a few issues still under consideration by the committee. The items are: passing score, funding tied to certification, certification frequency, and timeline. It was M/S/C Headding/Miller to approve with the exception of those items outlined.

VII. Action Agenda -

- a. Amendment to Youth Opportunity Program Contract – Nellie McGarry provided an overview of the request it was M/S/C McGarry/Fowler to approve.
- b. Sponsorship WIA Youth Participants – It was M/S/C Crookham/Headding to approve sponsorship for the four youth.
- c. Strategic Direction – It was M/S/C McGarry/Headding to approve the four strategic goals.
- d. Committee Restructure – Mr. Osorio discussed how the committee structure was determined. It was M/S/C Fowler/Griffin to approve the new committee structure.
- e. Funding Request from BEO – It was M/S/C Fluetsch/Miller (abstained Fowler) to approve the request for funds from the BEO for a period of one year. Mr. Bergman requested a report at the next WIB meeting on the status of Enterprise Vouchers.
- f. Affordable Housing Statement of Support – It was M/S/C Fluetsch/Flores (one nay) to approve the resolution to incorporate language that states the “The Workforce Investment Board of Merced County recommends the County of Merced and all appropriate units of government therein to actively pursue the development of affordable/workforce housing by:.....”

VIII. Information Agenda – It was M/S/C Fowler/Peterson to approve the information agenda.

- a. Fiscal Update
- b. Earned Income Tax Credit
- c. PITD Report
- d. LMI Reports
- e. Director’s Notes

IX. Committee Reports – The Chair noted the committee reports are available on the web. It was M/S/C Peterson/Miller to approve the committee reports.

- a. Education & Employers
- b. Marketing & Economic Development
- c. Planning, Policy Development & Legislation
- d. Standards & Certification
- e. Youth Council

X. Chair Comments/Round Table/Future Agenda Items – There was discussion to dedicate time on issues for the WIB. It was recommended to work through the strategic goals and address each of the goals at the full WIB meeting. It is anticipated this time will be used to bring in guest speakers to address issues as they relate the strategic goals and action plan established by the WIB.

- XI. Other – Sharon Cresswell noted there will be a job fair, October 12, 2002. Flyers were distributed to WIB members.
- XII. Next Meeting - November 21, 2002
- XIII. Adjourn - Meeting adjourned 4:35. p.m

TO: Workforce Investment Board

DATE: 11/21/02

**FROM: Planning, Policy Development
and Legislation**

- For Action**
- For Information**
- Meeting Notes**

SUBJECT: Central Valley Opportunity Center MOU Amendment

PROPOSED MOTION(S): Approve Amendment to the MOU between the Workforce Investment Board and the Central Valley Opportunity Center and send to WIB for final approval.

DISCUSSION: The Central Valley Opportunity Center has decided to stop offering the forty (40) hour Citizenship Training Program for One-Stop customers at their location and at the affiliate One-Stop site in Los Banos.

Amend MOU Page 10, Attachment C delete requirement for CVOC to provide a forty (40) hour Citizenship Training Program for One-Stop customer at their location or at the affiliate One-Stop site in Los Banos.

ATTACHMENT(S): Amendment to CVOC MOU

**AMENDMENT TO MEMORANDUM OF UNDERSTANDING
BETWEEN THE MERCED COUNTY WORKFORCE INVESTMENT BOARD
AND MANDATED ONE-STOP PARTNERS
PURSUANT TO THE WORKFORCE INVESTMENT ACT OF 1998 (WIA)**

**PARTNER AGENCY Central Valley Opportunity Center (CVOC)
AMENDMENT NUMBER 2
MOU AGREEMENT NUMBER 200037**

THIS AMENDMENT to the Memorandum of Understanding between the Central Valley Opportunity Center (CVOC) and the Workforce Investment Board is executed this ____ day of _____, 2002.

WHEREAS, the parties entered into an agreement for said services on March 14, 2000, a copy of which is attached as “Exhibit A,” and

WHEREAS, the parties mutually desire to continue with said agreement as modified hereinafter. It is agreed as follows:

Page 10, ATTACHMENT C : Amend to reflect CVOC will **not** provide a forty (40) hour Citizenship Training Program for One-Stop customers at their location or at the affiliate One-Stop site in Los Banos.

Amendment # 2 of MOU between WIB & CVOC # 200037

AUTHORITY AND SIGNATURES: The individuals signing below have the authority to commit the partner they represent to the terms of this Amendment to the MOU and do so commit by signing.

Merced County Workforce Investment Board

_____ Date _____
Rick Osorio, Chair, Merced County Workforce Investment Board

Merced County Board of Supervisors

_____ Date _____
Joe Rivero, Chair, Merced County Board of Supervisors

One-Stop Partner: Central Valley Opportunity Center (CVOC)

_____ Date _____
Ernie Flores, Executive Director, Central Valley Opportunity Center

APPROVED AS TO LEGALITY AND FORM
DENNIS L. MYERS, COUNTY COUNSEL

BY _____ DATE _____

Deputy

TO: Workforce Investment Board

DATE: 11/21/02

**FROM: Planning, Policy Development
and Legislation**



For Action



For Information



Meeting Notes

**SUBJECT: Workforce Investment Board/Merced County Community
Action Agency (MCCAA) MOU Amendment**

**PROPOSED MOTION(S): Approve Amendment to the MOU between the
Workforce Investment Board and Merced County Community Action
Agency (MCCAA) and send to WIB for final approval.**

**DISCUSSION: The MCCAA is not required to provide Performance and
Cost Information locally. The amendment will delete this requirement.**

ATTACHMENT(S): Amendment to MCCAA MOU.

**AMENDMENT TO MEMORANDUM OF UNDERSTANDING
BETWEEN THE MERCED COUNTY WORKFORCE INVESTMENT BOARD
AND MANDATED ONE-STOP PARTNERS
PURSUANT TO THE WORKFORCE INVESTMENT ACT OF 1998 (WIA)**

**PARTNER AGENCY: Merced County Community Action Agency (MCCAA)
AMENDMENT NUMBER 2
MOU AGREEMENT NUMBER 200038**

THIS AMENDMENT to the Memorandum of Understanding between the Merced County Community Action Agency (MCCAA) and the Workforce Investment Board is executed this ____ day of _____, 2002.

WHEREAS, the parties entered into an agreement for said services on March 14, 2000, a copy of which is attached as "Exhibit A," and

WHEREAS, the parties mutually desire to continue with said agreement as modified hereinafter. It is agreed as follows:

Page 10, Section II, Performance and Cost Information:" Delete [x]. MCCAA will **not** provide necessary information/data.

Amendment # 1 of MOU between WIB & Merced County Community Action Agency, 200038

AUTHORITY AND SIGNATURES: The individuals signing below have the authority to commit the partner they represent to the terms of this Amendment to the MOU and do so commit by signing.

Merced County Workforce Investment Board

_____ Date _____
Rick Osorio, Chair, Merced County Workforce Investment Board

Merced County Board of Supervisors

_____ Date _____
Joe Rivero, Chair, Merced County Board of Supervisors

One-Stop Partner: Merced County Community Action Agency (MCCAA)

_____ Date _____
Harry Dull, Executive Director, Merced County Community Action Agency

APPROVED AS TO LEGALITY AND FORM
DENNIS L. MYERS, COUNTY COUNSEL

BY _____ DATE

Deputy

TO: Workforce Investment Board

DATE: 11/21/02

FROM: WIB Staff

For Action

For Information

Meeting Notes

SUBJECT: One-Stop Certification

PROPOSED MOTION(S): To discuss and if necessary take action.

DISCUSSION: The Standards and Certification Committee reached decisions on four criteria concerning One-Stop Certification.

First, the committee decided to accept the new timeline for certification by extending the deadline to June 30, 2003.

Second, they discussed the scoring level necessary for certification. They decided to make the minimum score 30% or 300 points based on the Baldrige Scoring Bands. If the score was less than 30% or 300 points then a conditional certification would be assigned to the One-Stop for 6 months to give it time to resubmit to reach the minimum level.

Third, the committee decided to make recertification every two (2) years.

Fourth, the committee decided on the makeup of the Examination Team. The team would have eight (8) members to include one (1) leader/coordinator and seven (7) members for each area to be evaluated. Four (4) would be appointed by the WIB Chair and four would be members-at-large appointed by the Standards and Certification Chair.

ATTACHMENT(S): None

TO: Workforce Investment Board

DATE: 11/21/02

**FROM: Youth Council
Education & Employer Committee**

- For Action**
- For Information**
- Meeting Notes**

SUBJECT: Expenditure of Youth Council Funds

PROPOSED MOTION(S): Approve a Youth Council request to expend \$10,000 on the Youth Employability Program, allowing the Workforce Investment Board (WIB) to direct the expenditure of those funds through the Education and Employers Committee.

DISCUSSION: The Merced County Youth Employability Card Program is presently being partly administered through the Education and Employers Committee. The Committee is collaborating with the Youth Council to ensure the program's success. The Youth Council has agreed to expend \$10,000 of its funds on the Employability Card program. It has also agreed to have the WIB direct the expenditure of those funds through the Education and Employers Committee. It is felt that this approach will allow the program to have a consolidation of direction and make maximum use of funds.

ATTACHMENT(S): Budget

TO: Workforce Investment Board

Date: 11/21/02

FROM: Youth Council

- For Action**
- For Information**
- Meeting Notes**

SUBJECT: Funds Request, Jobs for California Graduates – Merced County, Inc.

PROPOSED MOTION(S): Approve the request for funds from Jobs for California Graduates – Merced County, Inc. (JCGMC) to expand the Out-of-School Youth Program to provide a presence within the Merced County Housing Authority.

DISCUSSION: This proposed amendment to the current Out-of-School Youth Program contract will add a full-time Job Specialist to be located within the Merced County Housing Authority. The Housing Authority will provide an on-site office, telephone, and a client list from each of the housing locations within the county. JCGMC will be responsible for recruiting within the Housing Authority. The Job Specialist will make scheduled visits to all Merced County Housing Authority sites. It is expected that this amendment will allow an additional 25 youth to be enrolled and served.

This expansion is for a period of 9 months, at a contract increase of \$49,635. This expansion will reestablish the Workforce Investment Act (WIA) requirement that at least 30% of youth funds be expended on out-of-school youth.

This proposal meets WIA guidelines and requirements. If funding is approved, it will be administered through an amendment to the current Out-of-School Youth contract.

ATTACHMENT(S): Funds Request will be available at the meeting

TO: Workforce Investment Board

DATE: 11/21/02

**FROM: Planning, Policy Development
and Legislation**



For Action



For Information



Meeting Notes

SUBJECT: Individual Training Account (ITA) Exception

PROPOSED MOTION(S): Recommend the Basic Police Academy offered at Modesto Junior College be made an exception to the ITA policy.

DISCUSSION: Section 663.430(a)(2) of the Workforce Investment Act Regulations states in part that contracts for services may be used instead of ITAs when the local Board (WIB) determines that there is an insufficient number of eligible providers in the local area to accomplish the purpose of a system of ITAs.

The Department of Workforce Investment has been approached by the Merced Police Department (MPD) in asking for assistance in sponsoring four candidates for the Basic Police Academy in the Regional Criminal Justice Training Center of Modesto Junior College. The MPD is asking the Department to cover the cost of books and tuition with MPD picking up the uniforms, weapon, ammunition, etc. The cost of books would be approximately \$332.00, and tuition would be \$188.00 per student. Once enrolled in training, the student would be put on the MPD payroll.

The only places that offer this type of training are the academy in Modesto and Fresno City College in Fresno, CA. Recommend to the WIB that this training be an exception to the ITA requirement as outlined in Section 663.430(a)(2), and authorize the Department to contract with Modesto Junior College.

ATTACHMENT(S): N/A

TO: Workforce Investment Board

DATE: 11/21/02

FROM: WIB Executive Committee

For Action

For Information

Meeting Notes

SUBJECT: Required WIB Members

PROPOSED MOTION(S): Information Only

DISCUSSION: Section 117 of the Workforce Investment Act requires representation from Private Sector Economic Development. Application has been received from Scott Galbraith, CEO Merced County Economic Development Corporation to be submitted for approval by the Merced County Board of Supervisors to fill the vacancies.

ATTACHMENT(S):

TO: Workforce Investment Board

DATE: 11/21/02

FROM: WIB Executive Committee

For Action

For Information

Meeting Notes

SUBJECT: Public Sector WIB Membership

PROPOSED MOTION(S): Information Only

DISCUSSION: Section 117 of the Workforce Investment Act requires mandatory One-Stop Partners to have representation on the Workforce Investment Board. Application has been received from Lee Anderson, Superintendent of Merced County Schools to be submitted for approval by the Merced County Board of Supervisors to fill a vacancies.

ATTACHMENT(S):

TO: Workforce Investmest Board

DATE: 11/21/02

FROM: WIB Executive

For Action

For Information

Meeting Notes

SUBJECT: Nomination to the Workforce Investment Board

PROPOSED MOTION(S): Executive Committee recommend Albert Montejano's application to the Board of Supervisors for for appointment to the Workforce Investment Board

DISCUSSION: Section 117 of the Workforce Investment Act outlines criteria for membership on the local Workforce Investment Board. One of the requirements is to have 50%, plus one individual (more than 50%) of its members representing Private Sector Business. A vacancy currently exists for Private Sector membership. Albert Montejano is the Area Manager of Customer Care Operations for Cingular Wireless and his name is being submitted to fill the current vacancy.

ATTACHMENT(S):

TO: Workforce Investment Board

DATE: 11/21/02

**FROM: Planning, Policy & Legislative
Development**

- For Action**
- For Information**
- Meeting Notes**

SUBJECT: CPPS-Return on Investment Study

PROPOSED MOTION(S): Information Only

DISCUSSION: The attached document is the final report on a study done by California State University, Stanislaus Center for Public Policy Studies. It is an analysis of the impacts of retraining programs offered by the Merced County Department of Workforce Investment. The study compared the potential impacts of the earnings of participants prior to participation in one of the programs to the potential impacts of the earnings of those same participants after completion of one of the programs.

The spreadsheets that follow report the results of the analysis for the Adult, Dislocated Worker and Older Youth programs.

ATTACHMENT(S): CPPS Analysis of Impacts of Retraining Programs

Analysis of the impacts of retraining programs-PITD, Merced County

by Dr. Kelvin Jasek-Rysdahl
Associate Professor of Economics
Research Associate of the Center for Public Policy Studies
California State University, Stanislaus

This is a report of an impact analysis of worker retraining programs that are offered by the Private Industry Training Department in Merced County. The programs covered are Adult, Dislocated Workers, and Older Youth. The analysis is of those who exited these programs from July 2000 through June 2001, and the data were taken from the Performance Detail Reports that were provided by the Private Industry Training Department in Merced County. The staff at the Private Industry Training Department was quite helpful. I would especially like to thank Andrea Baker, Dave Cramer and Ralph Ward for their assistance with obtaining and interpreting the data. Chuck Purcell were also helpful in getting access to the required materials.

The study compared the potential impacts of the earnings of participants prior to participation in the program to the potential impacts of the earnings of those same participants after completion of a program. Aggregated earnings of participants for both periods were run through an input-output model in order to estimate output and employment impacts. After earnings for each period were run through the model, the changes in output and employment were calculated.

Data on earnings, both pre-program and post-program, were for a six-month period. The input-output model works on an annual basis so the earnings were annualized by multiplying by two. Per capita earnings were calculated by dividing the annualized earnings by the number of participants. The per capita earnings numbers were used to identify household earnings categories, which determine spending patterns. The per capita earnings will influence the magnitude of the impacts. Spending patterns differ across earnings categories. People with lower earnings will focus on necessities. Those with higher earnings will still buy the necessities, but will also be able to buy luxury items.

The spreadsheets that follow report the results of the analysis for the Adult, Dislocated Worker, and Older Youth programs. The data in the first row are from the Performance Detail Reports. The results of the impact analysis are reported below that. The impacts of the pretraining earnings of participants are reported in the first two columns. Post earnings impacts are to the right. The changes from pre to post are listed directly below the post impact statistics. The total and county changes are reported. The total impact includes output that is generated in the county and outside the county. The county changes subtract the output generated outside the county.

The direct effects in these reports represent the impacts on output and employment from the spending of the participants generated by those earnings. The indirect effects are the output and employment that are generated in the industries that are supplying the firms that are directly affected by the earnings. The induced effects are

what are generated by the earnings of those working in firms affected by the direct and indirect rounds.

The change in earnings from those participating in all three programs in Merced County generate about \$2,114,570 in total output, \$1,309,089 of this is within the County. This increase in output translates to 16.4 jobs in the county. Of the total impact, 10 industry sectors (owner-occupied dwellings, real estate, eating & drinking, food stores, automotive dealers & service stations, doctors & dentists, hospitals, banking, communications, state/local government) accounted for over 32% of the impacts.

It is important to note that these changes are for one year only. The individuals who went through these programs may continue to earn more for years to come. It is also possible that their earnings will increase at a faster rate in the future compare to if they had not had the training. The data that exist do not allow one to test these ideas though.

The magnitude of the impacts depends on a number of different variables. The first is the magnitude of the change in earnings that occur. Higher earnings will result in more spending and a larger impact on output and jobs in the county.

The structure of the economy will also affect the magnitude of the output and employment impacts. The model that was used for this study separates businesses into 524 industry sectors. Merced had business in 188 of the possible 524. The number of sectors is important because it will affect the size of the multipliers. An area with few sectors will have to import more of its goods and services from outside the region. This will reduce the impact of any change that goes through the economy. Some of the spending will leak out of the county. The multiplying effect of the linkages will be smaller.

One way to change this would be to diversify the economy. As more firms are added in sectors that are not currently in the economy, more spending can stay local. This will increase the size of the impact generated by increased incomes. Diversification of the economy would increase the total impact, and cause the gap between the total impact and the county impact to get smaller.

Merced 2001										
Category	Participants	pre(6 months)	Pre(annualized)	Percap(annual)	Post(6 months)	Post(annual)	Postcap(annual)			
Adult	116	\$ 305,960.47	\$ 611,920.94	\$ 5,275.18	\$ 790,487.10	\$ 1,580,974.20	\$ 13,629.09			
Impacts	Output	Employment			Output	Employment				
Direct	\$ 611,921.00	4.7			\$ 1,580,974.00	11.1				
Indirect	\$ 59,461.00	0.7			\$ 162,050.00	1.9				
Induced	\$ 54,800.00	0.7			\$ 126,875.00	1.7				
Total	\$ 726,182.00	6.1			\$ 1,869,899.00	14.7				
Trade	\$ 261,332.00				\$ 708,389.00					
County impacts	\$ 464,850.00	6.1			\$ 1,161,510.00	14.7				
					Change (post-pre)		Public Assist.	Veterans	Disabled	Older Ind.
					\$ 969,053.00	6.4	\$ 271,334.84	\$ 36,824.01	\$ 36,824.01	\$ 61,050.34
					\$ 102,589.00	1.2	\$ 28,724.92	\$ 3,898.38	\$ 3,898.38	\$ 6,463.11
					\$ 72,075.00	1.0	\$ 20,181.00	\$ 2,738.85	\$ 2,738.85	\$ 4,540.73
					\$ 1,143,717.00	8.6	\$ 320,240.76	\$ 43,461.25	\$ 43,461.25	\$ 72,054.17
				Local change	\$ 696,660.00	8.6	\$ 195,064.80	\$ 26,473.08	\$ 26,473.08	\$ 43,889.58
Taxes	pre	post	change							
Sales taxes	\$ 11,644.00	\$ 33,252.00	\$ 21,608.00	\$ 270.10						
Property taxes	\$ 7,192.00	\$ 20,511.00	\$ 13,319.00							
Fed income tax	\$ 12,757.00	\$ 29,541.00	\$ 16,784.00							
State income tax	\$ 3,015.00	\$ 6,980.00	\$ 3,965.00							
Total			\$ 55,676.00							

Impacts of PITD Training Programs on Merced County

Dr. Kelvin Jasek-Rysdahl

Associate Professor of Economics

Research Associate of the CPPS

California State University, Stanislaus

Impact of Adult programs_(116 participants)

■ Pre-Program

- + Annual earnings
\$611,921
- + Per capita earnings
\$5,275

■ Post-Program

- + Annual earnings
\$1,580,974
- + Per capita earnings
\$13,629

Impact of Adult programs_(116 participants)

Changes

The increase in earnings caused the following changes.

Output (Dollar value of goods and services produced.)

+ Total change of \$1,143,717

+ Total change in County \$696,660

■ Employment

+ 8.6

Impact of Dislocated Worker programs

(183 participants)

■ Pre-Program

- + Annual earnings
\$3,043,162
- + Per capita earnings
\$16,629

■ Post-Program

- + Annual earnings
\$3,580,568
- + Per capita earnings
\$19,566

Impact of Dislocated Worker programs

(183 participants)

Changes

The increase in earnings caused the following changes.

Output (Dollar value of goods and services produced.)

+ Total change of \$639,303

+ Total change in County \$409,538

■ Employment

+ 5.1

Impact of Older Youth programs

(38 participants)

■ Pre-Program

+ Annual earnings

\$114,654

+ Per capita earnings

\$3,017

■ Post-Program

+ Annual earnings

\$394,654

+ Per capita earnings

\$10,385

Impact of Older Youth programs

(38 participants)

Changes

The increase in earnings caused the following changes.

Output (Dollar value of goods and services produced.)

+ Total change of \$331,550

+ Total change in County \$202,891

■ **Employment**

+ 2.7

Impact of Three Programs

Changes

The increase in earnings caused the following changes.

Output (Dollar value of goods and services produced.)

+ Total change of \$2,114,570

+ Total change in County \$1,309,089

■ **Employment**

+ 16.4

Impact of PITD Salaries related to programs

Salaries

- \$2,962,097
- Output impact
 - + 3,501,637
 - + \$2,226,358
- Employment
 - + 28.7

Name	Finance	Quality Assurance	Youth Council	Program Planning & Development
Anderson Lee	1			2
Armstrong Susan				
Baker Andrea				
Becker Richard		1		
Benjamin Nicolas				
Bergman Don				1
Bittner Bob			1	2
Boardman Mike				
Brown George		1		
Cahill Bill				
Cresswell Sharon				
Crookham Kathleen				1
Dull Harry			1	1
Duran Ben			1	2
Flores Ernie	1			2
Fluetsch Peter			2	1
Fowler John	2			1
Galbraith Scott				1
Greenberg Carole				
Griffin Brian		2		1
Harmon Robert				
Heading John		1		
Lamb Leo				
Lambert Charlie			1	
Malone Gisela		2		1
McGarry Nellie				
Mclaughlin Robert				
Miller Ned		1		2
Montejano Albert				
Newins Anne		2		1
Nicholls Terry				
Osorio Rick				
Pagan Ana				
Peterson Alfonse	1		2	
Riordan David				
Roberds Carole		2		1
Romero Al				
Smith Vann (Mike)	2		1	
Sullivan Helen		2		1
Sullivan Mike				
Tinetti Steve				

TO: Workforce Investment Board

DATE: 11/21/02

FROM: WIB Staff

- For Action
- For Information
- Meeting Notes

SUBJECT: Subsequent Designation of Temporary and State Board Recommended Local Workforce Investment Areas (LWIAS)

PROPOSED MOTION(S): None.

DISCUSSION: On September 18, 2002, a new directive was issued to communicate State of California policy and procedures regarding the subsequent designation of temporary Local Workforce Investment Areas (LWIA). This directive applies to the 31 temporarily designated LWIAs (including Merced County), including California Workforce Investment Board (State Board) recommended designations.

This directive is based on WIA Section 116 which provides the rules for automatic designation, temporary designation, state workforce investment board recommended designation, and the duration and subsequent designation of LWIAs.

Merced County is one of the 31 temporarily designated LWIAs. The temporary designation has been extended to June 30, 2005 because Merced County has achieved at least 80% of 9 of 11 locally negotiated performance measures. The directive also includes the procedures for attainment of the 80% of 9 of 11 performance measures.

The Department of Workforce Investment received the final Performance Goals on November 7, 2002, for fiscal year 2001-2002. These Performance Goals were negotiated through the Department of Labor and the state of California. For WIB and LWIA recertification, the LWIA must perform at 80% in 9 of 11 designated performance measures.

The Performance Goals are listed in the first column below. The department of Workforce Investment Outcomes are in the second column and the Percent of Goal in the third column. The Merced County LWIA performance measures are in bold type. The italicized performance measures are not included in determining recertification.

There were areas that did not meet the standard in the Older Youth category. The Youth provider, ARBOR, has since been terminated and we have a new Youth provider for the Older Youth Program, Jobs For California Graduates.

	Goals	Outcome	% of Goal
<i>Adult Employment and Credential Rate</i>	50%	57.14%	114%
Adult Entered Employment Rate	61%	79.49%	122%
Adult Earnings Change	\$3240	\$3627.06	112%
Adult Retention Rate	68%	65%	95%
<i>Dislocated Worker Employment and Credential Rate</i>	42%	53.57%	126%
Dislocated Worker Employment Rate	62%	69.44%	112%
Dislocated Worker Earnings Replacement	77%	86.95%	113%
Dislocated Worker Retention Rate	75%	76%	101%
<i>Older Youth Credential Rate</i>	42%	5.26%	12.5%
Older Youth Entered Employment Rate	50%	67.65%	135%
Older Youth Earnings Change	\$2300	\$324	14%
Older Youth Retention Rate	65%	41.67%	64%
<i>Younger Youth Diploma or Equivalent</i>	42%	74.8%	178%
Younger Youth Retention Rate	38%	40%	105%
Younger Youth Skill Attainment	63%	89.35%	142%

ATTACHMENT(S): None.

TO: Workforce Investment Board

DATE: 11/21/02

**FROM: Planning, Policy & Legislative
Development**

For Action

For Information

Meeting Notes

SUBJECT: Workforce Investment Board Recertification

PROPOSED MOTION(S): Information Only

DISCUSSION: The attached document is an updated membership listing sent to the state for recertifying the Local Workforce Investment Board. Please review and make any necessary changes.

The Workforce Investment Act (WIA) Section 117 states the requirements for nominating and selecting members in each membership category. To be recertified, Section 117 requires that business members constitute a majority of the LWIB and the chairperson shall be a business representative.

ATTACHMENT(S): Local Workforce Investment Board Membership list

TO: WIB

DATE 11/8//2002

FROM: WIB Staff

For Action

For Information

Meeting Notes

SUBJECT: First Quarter Reports

PROPOSED MOTION(S): Information only.

DISCUSSION: Reports are included in your packet and staff will be present at your meeting to answer questions.

ATTACHMENT(S):

Your packet includes:

- 1) Fiscal report for Fiscal Year 2002-03 which includes expenses through 9/30/02 and funds that are currently obligated/committed for contracts and operating costs.
- 2) Report on Training Funds in Adult and Dislocated Worker Programs through 11/4/02.
- 3) Report showing WIA Participant Data through 9/30/02.
- 4) Report on Customer Service Data for October 2002.
- 5) Report on Performance Outcomes

WORKFORCE INVESTMENT BOARD
MONTHLY LABOR MARKET INFORMATION UPDATE
September 2002

- The September 2002 California seasonally adjusted unemployment rate was 6.3 percent, down 0.1 percentage point from the August result. This figure was up 0.6 percentage points from one year ago.
- Nonfarm jobs gained in August was almost erased by a 15,800-job loss in September. In the first nine months of this year, total nonfarm jobs have fallen by 9,300 for an average of a little over 1,000 jobs per month.
- Three sectors saw month-over job gains, government, services and trade. Manufacturing took the hardest hit with a loss of over 10,000 jobs.
- Average hourly earning for California production workers in manufacturing were \$15.00 in September and average weekly earnings were slightly more than \$613.00.
- The U.S. Department of Labor reports that nation-wide, the high tech industry dropped 437,000 jobs over the past 18 months. This is an eight percent drop since January 2001. The DOL does say that this trend appears to be leveling off and the “worst might be over”.
- California farm payrolls rose by 10,600 jobs in September while Merced County posted a modest 300-job increase. However, the 12,600 jobs counted in September was down 1,000 from the number at the same time last year.
- The Bureau of Labor Statistics reported earlier this month that household borrowing slowed sharply over the past two months and posted its smallest gain in eight months. The Federal Reserve reported consumer credit rose \$4.2 billion in August, the smallest gain since December 2001.
- The U.S. Energy Department has indicated winter heating bills will be sharply higher than one year ago because of adverse weather trends and war concerns. The Energy Department experts, in there annual heating season forecast, Northwestern households could expect a 45 percent increase bills over the span of the winter heating season while the West, not normally affected by the weather would see an appreciable increase in fuel pump prices.
- In September, 259 metropolitan areas recorded higher unemployment rates than one-year ago. Seven metro areas had jobless rates of at least 10 percent, of which three were located in California’s agricultural Central Valley, including the Merced Metropolitan Statistical Area (Merced County).
- A side note on the longshoremen strike which is yet unresolved. The work stoppage, which was ended earlier this month by President Bush’s invoking of the Taft-Hartley Act, wasn’t over salaries of the longshoremen, themselves, but over only a few hundred clerical jobs usually paying nearly \$120,000. Average pay for dockworkers is \$82,700, while bosses and foremen earn an average pay of over \$157,000 per year.

TO: Workforce Investment Board

DATE: 11/21/02

FROM: WIB Staff

- For Action
- For Information
- Meeting Notes

SUBJECT: Westside Activity

PROPOSED MOTION(S): For Information Only

DISCUSSION: The Los Banos Employment Resource Center counted 1,309 visits in September 2002. Of this number, 699 customer surveys were obtained. The surveys give us specific information about customer activity in the Center.

Of the customers surveyed, 44 were first time visitors.

Of the customers surveyed, 25 reported being employed. Of that number, 16 were working part time and looking for full time employment.

As with other centers, most customers surveyed, visit the center in the morning (420). Approximately 1/2 or 230 came in the afternoons and 49 used center services in the evenings.

The most popular services of the westside center are our comuters; both the PLATO Lab and the internet job search are the features most reported used by our customers. Approximatley half of our customers come in solely to use one or the other of the labs.

There is good usage of our PLATO Lab. In a WIA audit of the Merced College/PLATO contract, we found that 450 people have been served in the last program year, while contracting for a minimum of 150. We also celebrated the success of our 35 GED graduates and found that 100 people have obtained their GED's through the use of PLATO since the lab was opened in Los Banos.

The Westside Employment Resource Center has most of the services offered by any employment center:

* Computers w/internet access and various job search and retention tools as well as computers w/dedicated programming to basic skills training and assessment

- * Copiers and telephone banks
- * Job listings
- * Fax machine
- * Comprehensive resource library w/books, magazines, and "worksheets" on various job search and retention topics
- * Typewriters
- * Referrals to other assistance agencies; including partners in our center and other agencies in our area
- * Evening hours to 9PM on Tuesday-Thursdays

The Resource Room is continually staffed with WIA staff knowledgeable in all programs in the computers and all information and resources of the Center.

People visiting the center can select to enter into WIA intensive and training activities by first attending an Orientation to WIA Services. The orientations are held each Thursday at 4PM. Attendance varies, but seems to have an average of 8-10 weekly.

From information gathered in the orientation and subsequent assessment activities, people wishing training may be enrolled. Last program year, 43 adults and dislocated workers were enrolled. Of that number 16 were employed during the program year. The others are still completing follow up services, or are still actively enrolled.

Currently we have enrolled 16 adult and dislocated workers and have three employed thus far into this program year.

The partners working with us in the center are made up of contract relationships as well as MOU's. Our partners are

- *MCOE younger youth programs representative
- *JCG older youth program representative
- *EDD
- *Childrens' Services
- *Action Business Center
- *Merced College
- *CalWorks (HSA)

Our partners have been extremely helpful and reliable. Currently, we are seeking more help from them as alternates in the Resource Room and customer greeting.

Customer Service Data reports consistently that word of mouth and family members referrals are our best sources of new customers. This is especially true in Los Banos. We have found that satisfied customers not only speak well of our services, but bring in friends and family.

When you find yourself headed west on the 152, stop by our Employment Resource Center at 800 7th Street and visit. Our friendly staff would like to give you a tour and answer any questions you might have.

ATTACHMENT(S):

TO: Workforce Investment Board

DATE: 11/21/02

FROM: WIB Staff

- For Action
- For Information
- Meeting Notes

SUBJECT: Vouchering Process

PROPOSED MOTION(S): For Information Only

DISCUSSION: The Enterprise Zone and LAMBRA vouchering responsibility has been transferred to the Department of Workforce Investment Business Services Unit. During the last week of September, five members of the Business Services Unit received training on Vouchering. During the month of October, 67 Enterprise Zone and 3 LAMBRA Vouchers were issued. Year to date there have been 807 Enterprise Zone Vouchers and 112 LAMBRA Vouchers issued. The average vouchering request received in October was processed within three calendar days.

In response to a concern that the time required to process a voucher was too long the following enhancements to our database have been instituted to track requests:

- Log ins of all vouchers upon receipt
- Logging of date vouching accomplished
- Logging of date mailed to employer or their agent (Consulting Firm)
- A monthly report will be generated to provide the Director with the average length of time from date of receipt to date mailed.

Procedures have been instituted to cover the vouchering process during the absence of staff assigned to the vouchering function. All individuals staffing the Business Services Unit will be able to review requests, determine eligibility for vouchering and issue vouchers should there be a time of high volume.

During the California Association of Enterprise Zone Conference held in Santa Ana from October 23-25, proposed regulations were presented to the attendees. The time frame of 45 days from receipt of vouchering requests was suggested as timely for processing requests.

Questions regarding status of specific requests for vouchering are welcome by the Business Services Unit. Our goal is to provide quality customer service in an efficient manner to meet the needs of the business customer.

ATTACHMENT(S):



The QuickLook

A Merced County Labor Market Review

The QuickLook:

Welcome to the Merced County labor market summary. The QuickLook has been developed by the Department of Workforce Investment (WI) staff for the Merced County Local Workforce Investment Board. The data and information is provided by the California Employment Development Department. Questions can be referred to PITD, 1880 W. Wardrobe Ave., Merced, CA 95340. Telephone (209) 724-2152. Email: PITD222@co.merced.ca.us

Current Labor Force & Unemployment Rates						
California				October 9, 2002		
March 2001 Benchmark Data Not Adjusted for Seasonality	Sep 01	Jul 02	Aug 02 Revised	Sep 02 Prelim.	Percent Month	Change Year
Civilian Labor Force (1)	17,450,300	17,750,300	17,647,200	17,573,900	-0.4%	0.7%
Civilian Employment	16,500,300	16,557,600	16,538,000	16,503,500	-0.2%	0.0%
Civilian Unemployment	950,000	1,192,700	1,109,200	1,070,400	-3.5%	12.7%
Merced County	9.7%	14.2%	13.2%	10.1%		
(CA Unemployment Rate)	5.4%	6.7%	6.3%	6.1%		
(U.S. Unemployment Rate)	4.7%	6.0%	5.7%	5.4%		

The QuickLook:

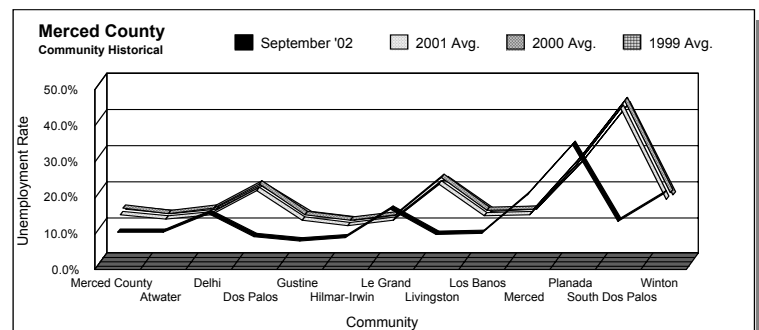
The U.S. unemployment rate for September dropped from 5.7 percent to 5.4 percent; however, the result is up seven tenths of one percent from one year ago.

California's revised unemployment rate for August was 6.3 percent, down four tenths of one percent from the preliminary numbers reported in the August preliminary result. The September preliminary rate was down 0.2 percentage points from the revised August rate. The State's preliminary unemployment rate was up 0.8 percentage points from one year ago.

In Merced County, the revised August unemployment rate jumped over two percent from the August preliminary number. The preliminary September rate of 10.1 percent is up four tenths of one percent from September 2001.

Merced County continues with one of the highest unemployment rates in the Central Valley. Only Fresno Kings and Tulare Counties have a higher rate. Merced County's unemployment trends indicate September will be the last month of decreased unemployment. Historically, October marks the beginning of the end of higher farm labor employment and the overall unemployment rate will start a slow climb to almost 15 percent by December.

County Data are for September 2002				
Area Name	Labor Force	Employment	Unemployment	
			Number	Rate
Atwater - city	9,760	8,880	880	9.0%
Delhi - CDP	1,510	1,360	150	10.1%
Dos Palos - city	1,840	1,560	280	15.3%
Gustine - city	1,840	1,680	160	8.9%
Hilmar-Irwin - CDP	1,710	1,580	130	7.7%
Le Grand - CDP	500	460	40	8.7%
Livingston - city	3,760	3,130	630	16.7%
Los Banos - city	7,050	6,370	680	9.7%
Merced - city	25,120	22,610	2,510	10.0%
Planada - CDP	1,630	1,290	340	20.6%
South Dos Palos - CDP	470	310	160	34.6%
Winton - CDP	3,260	2,830	430	13.2%



The seasonality of the workforce is reflected by the difference from current month to yearly average unemployment numbers.

The QuickLook:

At the Sub County: Unemployment rates for county cities and municipalities dropped at every location, led by South Dos Palos, down by 1.5 percent. The City of Merced saw unemployment drop by 0.6 percent, Livingston by 0.9 percent and Atwater by 0.5 percent. The labor force increased by 770 at these localities while the number employed increased by 290 employees and the number unemployed showed a increase of 480.

**For the Month of:
September 2002**

Merced County Current Labor Force and Industry Employment

March 2001 Benchmark	Sep 01	Jul 02	Aug 02	Sep 02	Monthly Change	Unemployment by Industry				
Data Not Adjusted for Seasonality			Revised	Prelim.		Sep 01	Jul 02	Aug 02	Sep 02	Monthly Change
Civilian Labor Force	84,200	85,000	84,000	82,600	(1,400)					
Civilian Employment	75,800	73,800	75,000	74,300	(700)					
Civilian Unemployment	8,400	11,200	9,000	8,300	(700)					
Civilian Unemployment Rate	10.0%	13.2%	10.7%	10.1%	-0.6%					
(CA Unemployment Rate)	5.4%	6.7%	6.3%	6.1%	-0.2%					
(U.S. Unemployment Rate)	4.7%	6.0%	5.7%	5.4%						
Total, All Industries	67,000	64,500	65,300	65,700	6,700	8,514	6,987	6,636	351	
Total Farm	13,600	12,100	12,300	12,600	1,360	1,597	1,316	1,273	43	
Farm Production	9,000	7,700	8,300	8,400	900	1,016	888	848	40	
Farm Services	4,600	4,400	4,000	4,200	460	581	428	424	4	
Total Nonfarm	53,400	52,400	53,000	53,100	5,340	6,917	5,671	5,363	308	
Goods Producing	13,700	12,700	13,200	13,100	1,370	1,676	1,412	1,323	89	
Construction & Mining	2,400	2,600	2,700	2,700	240	343	289	273	16	
Manufacturing	11,300	10,100	10,500	10,400	1,130	1,333	1,124	1,050	73	
Durable Goods	1,800	1,700	1,800	1,800	180	224	193	182	11	
Nondurable Goods	9,500	8,400	8,700	8,600	950	1,109	931	869	62	
Food & Kindred Products	7,200	6,200	6,500	6,400	720	818	696	646	49	
Other Nondurable Goods	2,300	2,200	2,200	2,200	230	290	235	222	13	
Service Producing	39,700	39,700	39,800	40,000	3,970	5,240	4,259	4,040	219	
Transportation & Public Utilities	1,800	1,800	1,900	2,000	180	238	203	202	1	
Transportation	1,400	1,400	1,500	1,600	140	185	161	162	(1)	
Communications & Public Util.	400	400	400	400	40	53	43	40	2	
Trade	12,700	12,900	12,800	12,800	1,270	1,703	1,370	1,293	77	
Wholesale Trade	1,900	1,900	1,900	1,900	190	251	203	192	11	
Retail Trade	10,800	11,000	10,900	10,900	1,080	1,452	1,166	1,101	65	
General Merchandise	1,500	1,600	1,500	1,500	150	211	161	152	9	
Food Stores	1,800	1,900	1,900	1,900	180	251	203	192	11	
Eating & Drinking Places	3,800	3,700	3,700	3,700	380	488	396	374	22	
Other Retail Trade	3,700	3,800	3,800	3,800	370	502	407	384	23	
Finance, Insurance & Real Estate	1,600	1,600	1,600	1,600	160	211	171	162	10	
Finance	700	700	700	700	70	92	75	71	4	
Other Fin., Ins. & Real Estate	900	900	900	900	90	119	96	91	5	
Services	10,900	10,900	11,000	11,100	1,090	1,439	1,177	1,121	56	
Hotels & Other Lodging Places	400	400	400	400	40	53	43	40	2	
Business Services	1,800	1,600	1,700	1,800	180	211	182	182	0	
Amusement & Recreation Serv.	500	600	600	600	50	79	64	61	4	
Health Services	4,200	4,300	4,300	4,300	420	568	460	434	26	
Social Serv. & Member Orgn	1,900	1,900	1,900	1,900	190	251	203	192	11	
Other Services	2,100	2,100	2,100	2,100	210	277	225	212	13	
Government	12,700	12,500	12,500	12,500	1,270	1,650	1,338	1,263	75	
Federal Government	700	800	800	800	70	106	86	81	5	
State & Local Government	12,000	11,700	11,700	11,700	1,200	1,544	1,252	1,182	70	
State Government	600	600	600	600	60	79	64	61	4	
Local Government	11,400	11,100	11,100	11,100	1,140	1,465	1,188	1,121	67	

The QuickLook:

At the Industries: The County continues with one of the highest unemployment rates in the State, and Merced did remain 51st out of 58 counties at 10.1 percent unemployment moving past Fresno, Kings and Tulare Counties, respectively.

The preliminary September result is a drop of over three percent from July and is down six tenths of one percent from the revised August rate. These numbers remain in line with the 20 year average for the month of September. However, predictors indicate the unemployment rate should begin a slow rise beginning in October to a high of over 15 percent in December.

Those unemployed increased in the number nonfarm occupations by 308 while farm production and services saw an increase of 43.

Other than transportation occupations, all industry clusters saw an increase in job seekers.

Service producing occupations saw the greatest increase in unemployed with 219 in the labor force still looking for work.

Interestingly enough, government occupations saw an increase of 75 without employment. The teaching occupation, which is part of this cluster is predicted to have the greatest demand for workers over the next several years.

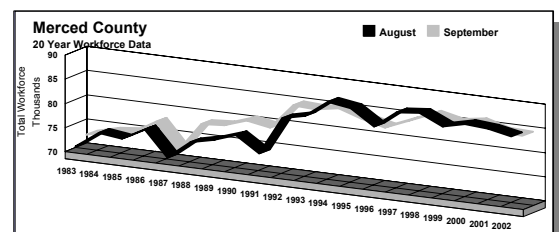
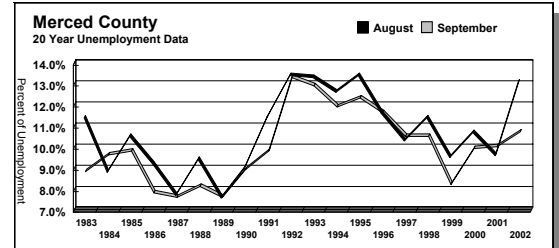
The QuickLook:

At the Summary: Merced County's workforce has steadily grown over the past 20 years reflecting the steady improvement of the County's economic situation. Employment has increased from approximately 65,700 in 1983 to over 83,000 in 2002. Recently though, this growth has begun to level off.

Unemployment, however has fluctuated from 19 percent in 1983 to a high of 20.8 percent in 1993 and averaging 17.3 percent over that span of time.

The County will continue to see unemployment well above that of the State given the large seasonal agricultural employment base that exists here. The overall situation should improve somewhat, in the next five years with the expected increase in service related jobs in most occupational groups precipitated by the building of the 10th University of California campus.

The building and opening of the campus should bring about a resurgence of the growth noted during the early 1990's.





The QuickLook

A Merced County Labor Market Review

The QuickLook:

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Current Labor Force & Unemployment Rates						
California				October 9, 2002		
March 2001 Benchmark Data Not Adjusted for Seasonality	Oct 01	Aug 02	Sep 02 Revised	Oct 02 Prelim.	Percent Month	Change Year
Civilian Labor Force (1)	17,518,700	17,647,200	17,595,000	17,660,800	0.4%	0.8%
Civilian Employment	16,520,700	16,538,000	16,503,000	16,573,600	0.4%	0.3%
Civilian Unemployment	998,000	1,109,200	1,092,000	1,087,200	-0.4%	8.9%
Civilian Unemployment Rate	5.7%	6.3%	6.2%	6.2%	0.0%	0.5%
(CA Unemployment Rate)	5.7%	6.3%	6.2%	6.2%	0.0%	0.5%
(U.S. Unemployment Rate)	5.0%	5.7%	5.4%	5.3%	-0.1%	0.3%

The QuickLook:

California's unemployment rate was 6.4 percent in October, unchanged from a revised 6.4 percent in September, the state Employment Development Department (EDD) reported today. A year ago, in October 2001, California's unemployment rate was 5.9 percent.

According to EDD's survey of employers, payroll employment in California grew by 19,800 jobs over the month, for a total of 14,665,400 and the number of people unemployed in California was 1,122,000 - a decline of 7,000 over the month, but up by 90,000 compared with October of last year. Of the unemployed, 655,300 were laid off, 98,100 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market.

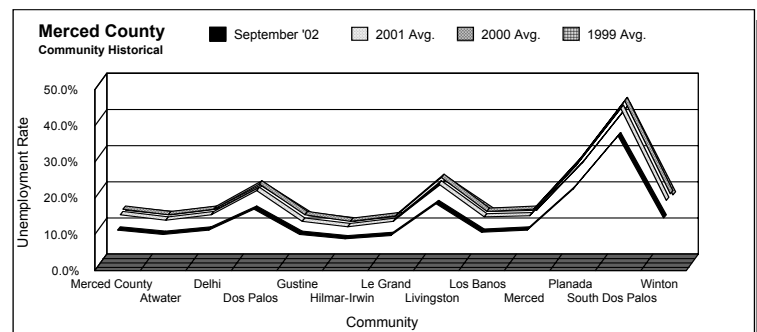
There were 471,881 people receiving regular unemployment insurance benefits during the October survey week. This compares with 480,550 last month and 463,668 last year. At the same time, new claims for unemployment insurance were 60,803 in October 2002, compared with 53,347 in September and 67,526 in October of last year.

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,665,400 in October, a net gain of 19,800 jobs since the September survey.

Seven industry divisions (mining; transportation and public utilities; wholesale trade; retail trade; finance, insurance and real estate; services; and government) added jobs over the month, gaining 32,700 jobs. Two industry divisions (construction and manufacturing) reported job declines this month, down 12,900 jobs.

County Data are for September 2002

Area Name	Labor Force	Unemployment		
		Employment	Number	Rate
Merced County	11.1%	14.0%	14.4%	13.3%
Atwater	9.9%	12.5%	12.9%	11.9%
Delhi	11.1%	14.0%	14.4%	13.4%
Dos Palos	16.7%	20.7%	21.3%	19.8%
Gustine	9.8%	12.4%	12.8%	11.8%
Hilmar-Irwin	8.5%	10.8%	11.2%	10.3%
Le Grand	9.6%	12.2%	12.5%	11.6%
Livingston	18.2%	22.5%	23.1%	21.5%
Los Banos	10.6%	13.5%	13.8%	12.8%
Merced	11.0%	13.9%	14.3%	13.2%
Planada	22.4%	27.4%	28.1%	26.3%
South Dos Palos	37.0%	43.5%	44.3%	42.1%
Winton	14.4%	18.1%	18.6%	17.3%



The seasonality of the workforce is reflected by the difference from current month to yearly average unemployment numbers.

The QuickLook:

At the Sub County: Unemployment rates for county cities and municipalities saw an overall increase of one and three tenths percent this month. All communities noted increases in unemployment, led by South Dos Palos, Livingston, Winton Planada, Dos Palos and Gustine, all with increases over one percent. The County municipal unemployment will continue to grow due to the closing of the harvesting season.

**For the Month of:
October 2002**

Merced County Current Labor Force and Industry Employment

March 2001 Benchmark	Oct 01	Aug 02	Sep 02	Oct 02	Monthly Change					
Data Not Adjusted for Seasonality			Revised	Prelim.						
Civilian Labor Force	84,100	84,000	82,800	82,500	(300)					
Civilian Employment	75,200	75,000	74,400	73,400	(1,000)					
Civilian Unemployment	8,900	9,000	8,400	9,100	700					
Civilian Unemployment Rate	10.6%	10.7%	10.1%	11.1%	1.0%					
(CA Unemployment Rate)	5.7%	6.3%	6.2%	6.2%	0.0%					
(U.S. Unemployment Rate)	5.0%	5.7%	5.4%	5.3%						
						Employment by Industry				
						Oct 01	Aug 02	Sep 02	Oct 02	Monthly Change
Total, All Industries	66,000	65,300	65,700	64,400	6,600	8,620	7,030	6,504	525	
Total Farm	13,000	12,300	12,600	12,100	1,300	1,624	1,348	1,222	126	
Farm Production	9,100	8,300	8,400	8,500	910	1,096	899	859	40	
Farm Services	3,900	4,000	4,200	3,600	390	528	449	364	86	
Total Nonfarm	53,000	53,000	53,100	52,300	5,300	6,996	5,682	5,282	399	
Goods Producing	12,700	13,200	13,100	12,000	1,270	1,742	1,402	1,212	190	
Construction & Mining	2,500	2,700	2,700	2,700	250	356	289	273	16	
Manufacturing	10,200	10,500	10,400	9,300	1,020	1,386	1,113	939	174	
Durable Goods	1,700	1,800	1,800	1,700	170	238	193	172	21	
Nondurable Goods	8,500	8,700	8,600	7,600	850	1,148	920	768	153	
Food & Kindred Products	6,200	6,500	6,400	5,400	620	858	685	545	139	
Other Nondurable Goods	2,300	2,200	2,200	2,200	230	290	235	222	13	
Service Producing	40,300	39,800	40,000	40,300	4,030	5,254	4,280	4,070	210	
Transportation & Public Utilities	1,800	1,900	2,000	1,900	180	251	214	192	22	
Transportation	1,400	1,500	1,600	1,500	140	198	171	152	20	
Communications & Public Util.	400	400	400	400	40	53	43	40	2	
Trade	12,800	12,800	12,800	12,900	1,280	1,690	1,370	1,303	67	
Wholesale Trade	1,800	1,900	1,900	1,900	180	251	203	192	11	
Retail Trade	11,000	10,900	10,900	11,000	1,100	1,439	1,166	1,111	55	
General Merchandise	1,600	1,500	1,500	1,600	160	198	161	162	(1)	
Food Stores	1,800	1,900	1,900	1,900	180	251	203	192	11	
Eating & Drinking Places	3,900	3,700	3,700	3,700	390	488	396	374	22	
Other Retail Trade	3,700	3,800	3,800	3,800	370	502	407	384	23	
Finance, Insurance & Real Estate	1,600	1,600	1,600	1,600	160	211	171	162	10	
Finance	700	700	700	700	70	92	75	71	4	
Other Fin., Ins. & Real Estate	900	900	900	900	90	119	96	91	5	
Services	11,000	11,000	11,100	11,000	1,100	1,452	1,188	1,111	77	
Hotels & Other Lodging Places	400	400	400	400	40	53	43	40	2	
Business Services	1,900	1,700	1,800	1,700	190	224	193	172	21	
Amusement & Recreation Serv.	500	600	600	600	50	79	64	61	4	
Health Services	4,200	4,300	4,300	4,300	420	568	460	434	26	
Social Service & Member Organizations	1,900	1,900	1,900	1,900	190	251	203	192	11	
Other Services	2,100	2,100	2,100	2,100	210	277	225	212	13	
Government	13,100	12,500	12,500	12,900	1,310	1,650	1,338	1,303	35	
Federal Government	700	800	800	800	70	106	86	81	5	
State & Local Government	12,400	11,700	11,700	12,100	1,240	1,544	1,252	1,222	30	
State Government	600	600	600	600	60	79	64	61	4	
Local Government	11,800	11,100	11,100	11,500	1,180	1,465	1,188	1,162	26	

The QuickLook:

At the Industries: The County continues with one of the highest unemployment rates in the State, and Merced did remain 51st out of 58 counties in spite of an 11.1 percent unemployment rate.

The preliminary October result is a gain of one percent in the unemployment rate from the revised September rate and is one half a percentage point higher than one year ago.

These numbers remain somewhat in line with the 20 year average for the month of October. However, predictors continue to indicate the unemployment rate will continue to rise over the remaining months in 2002 to a yearly average of 14.6 percent.

Overall, Merced County saw an increase of 525

Those unemployed increased in all industry classifications, led by Nonfarm industries with an increase of almost 400 workers.

Farm workers saw 126 fall from those employed.

The largest increase came in service producing industries (increase of 210 unemployed), and specifically in trade (67) and service (77) type jobs.

Jobs in the more stable workforce industries (retail trade, eating establishments and health services) took the brunt of the job losses, while state and local government also saw increases of unemployed of 30 workers.

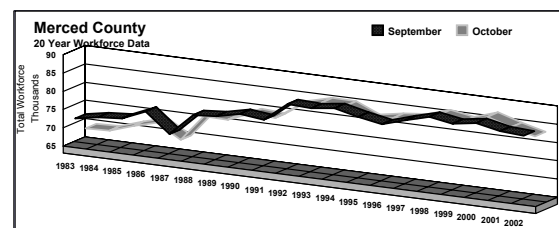
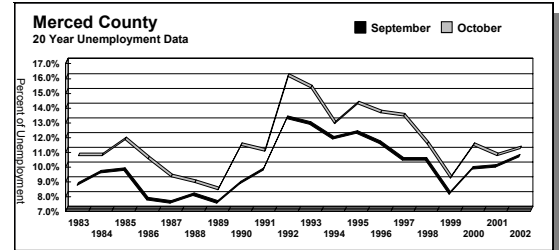
The QuickLook:

At the Summary: Merced County's workforce has steadily grown over the past 20 years reflecting the steady improvement of the County's economic situation. Employment has increased from approximately 65,700 in 1983 to over 83,000 in 2002. Recently though, this growth has begun to level off.

Unemployment, however has fluctuated from 19 percent in 1983 to a high of 20.8 percent in 1993 and averaging 17.3 percent over that span of time.

The County will continue to see unemployment well above that of the State given the large seasonal agricultural employment base that exists here. The overall situation should improve somewhat, in the next five years with the expected increase in service related jobs in most occupational groups precipitated by the building of the 10th University of California campus.

The building and opening of the campus should bring about a resurgence of the growth noted during the early 1990's.



WORKFORCE INVESTMENT BOARD
MONTHLY LABOR MARKET INFORMATION UPDATE
October 2002

- The U.S. Bureau of Labor Statistics (BLS) reports that eight out of 10 companies polled say economic conditions have forced them to eliminate jobs, freeze hiring or reduce budgets for salary increases during 2002.
- The BLS reported Average Annual Wages in Metropolitan Areas, 2001 indicating average annual pay of employees in the nation's 318 metropolitan areas (which Merced County is included) increased by 2.4 percent from 2000. This yearly gain was the lowest increase since 1994.
- The U.S. technology industry continued to hemorrhage jobs in the first half of 2002, but employment showed some signs of stabilizing toward the end of this period, according to the American Electronics Association. During the first six months of the year 113,000 jobs disappeared.
- The USA Today reported that based on results of a recent poll; workers can expect much lower raises next year due to double-digit health insurance costs expected in 2003. The Wall Street Journal reported that the spiraling cost of health care in the U.S. is "slow drama". The report said it is difficult to call the rising costs a crisis for workers when employers keep absorbing approximately 15 percent of annual cost increases' however, early indications are that employers may ask workers to share more of the cost next year.
- The American consumer, still the nation's main source of economic strength, seems torn between worrying about the future and making another trip to the mall. Polls indicate that many people, after sustaining an unusual amount of optimism during the last two years of turmoil, are beginning to wonder whether the current path of slow growth has become the new economic reality, rather than merely an interlude. (The New York Times, Nov. 11, page A1).
- The recent reduction in interest rates by the Federal Reserve Board has caused some policy makers to say the risks to the economy are now balanced between slow growth and inflation, a signal that additional rate cuts are unlikely.
- The BLS reports management and legal jobs were the highest paying occupation in 2001. The average wage for those in legal occupations (lawyers, paralegals and judges) was \$33.19 an hour, or approximately \$63,700 per year. Lawyers topped the scale at an average of almost \$92,000 per year.
- Several new and some old Internet web sites offer outstanding labor market information for those interested in looking deeper into the nation's and state's economy. Try these?

www.calmis.ca.gov for state and Merced County data.

At America's Career InfoNet (www.acinet.org) one can access a wealth of information including a list of California's occupational licensing information. Look under "Career Tools" near the bottom of the main page.

And

More to come each month.

Hispanic Dropout Numbers Soar

By GENARO C. ARMAS

Associated Press Writer

WASHINGTON (AP)--The number of Hispanics who dropped out or never attended high school surged by over 50 percent in the 1990s, especially in the South and West where many schools were overwhelmed as they tried to accommodate the fast-growing Spanish-speaking population.

The changing demographics present a tough task, particularly to small-town and rural school administrators who must find money in their tight budgets to hire bilingual staffers and develop new programs to teach newly arrived students who may not have a good grasp of English.

In 2000, approximately 1.56 million U.S. residents ages 16 to 19 were not high school graduates and not enrolled in school.

Of the total, nearly 34 percent, or more than 528,000, were Hispanic. That's up from 22 percent, or nearly 346,000, of the 1.59 million total in 1990.

The dramatic change in the percentage is due partly to the overall growth in the Hispanic population during the 1990s to 35.3 million, rivaling blacks as the nation's largest minority group. Hispanics represented nearly 16 percent of all 16- to 19-year-olds in 2000, regardless of educational background, up from 11 percent in 1990.

While the number of Hispanic dropouts and those who never attended high school grew by nearly 53 percent, the overall population of Hispanic youths of that age grew by about 45 percent.

"For some, it may not be that they are dropping out of school, but rather that people are coming here and not going to school to begin with," said Jennifer Day, an education analyst with the Census Bureau.

Nationally, dropout rates decreased slightly over the decade: the 1.56 million dropouts in 2000 represented nearly 10 percent of the total population of 16- to 19-year-olds, regardless of educational status. In 1990, the 1.59 million dropouts were over 11 percent of the older teens then.

Among all Hispanics ages 16 to 19, about 21 percent, did not graduate from high school or were not enrolled in school, down slightly from nearly 21.6 percent in 1990. Among blacks of that age, the dropout rate was 12 percent, down from 14 percent. For whites, it was just below 7 percent, down from 9 percent.

However, when looking at just dropouts, Hispanic representation increased, while the percentages that were black declined from 18 percent to 17 percent. Among whites, it decreased from 58 percent to 44 percent.

END

The preceding Associated Press article appeared in local newspapers several weeks ago indicating that nationally; Hispanic high school dropout rates, especially in the South and West, are up more than 22 percent in the past 10 years.

The article goes on to say this is due partly to the overall growth in the Hispanic population during the 1990s and the possibility that Hispanic immigrants are not attending school.

Another possibility, which is only inferred in the article, is that the changing demographics have put a burden on "small-town and rural schools that may not have the money to provide the necessary bilingual programs to teach newly arrived Hispanic students who do not have a good grasp of the English language. This, the article insinuates, exacerbates the dropout rates.

The attached study and analysis provides information for Merced County that is not consistent with the U.S. Census Bureau's claims.

The Hispanic or Latino dropout rate in Merced County, during the 2000-2001 school year, was 4.1 percent compared to the statewide rate of 3.8 percent. Both rates are far lower than the reported figures in the news article.

Merced County's 10-year Hispanic one-year dropout rate has steadily decreased from a high of seven percent during the 1991-1992 school year to a low of 2.2 percent in the 1998-1999 school year. Although the rate increased during the 1999-2000 year, the rate dropped again this past year to a reported 3.8 percent.

However, the study does point up some statistics that should be noted:

- **Population age 18 to 24 - 2000 Census - Less than High School Education - Merced County - 35.4%**
- Population age 18 to 24 - 2000 Census - Less than High School Education - California - 29.3%
- Population age 18 to 24 - 2000 Census - Less than High School Education - U.S. - 25.3%

- ▶
- Population age 16-19 - 1990 Census - Non H.S. Graduates Percent of Total Population - U.S. - 11.1%
- Population age 16-19 - 2000 Census - Non H.S. Graduates Percent of Total Population - U.S. - 5.8%

- Population age 16-19 - 1990 Census - Hispanic Non H.S. Grad % of Total Population - U.S. - 2.4%
- Population age 16-19 - 2000 Census - Hispanic Non H.S. Grad % of Total Population - U.S. - 1.9%

- ▶
- Population age 16-19 - 1990 Census - Hispanic Non H.S. Grad % of Total Non H.S. Grads - U.S. - 21.8%
- Population age 16-19 - 2000 Census - Hispanic Non H.S. Grad % of Total Non H.S. Grads - U.S. - 33.6%

- ▶
- **Population age 25 and over - 1990 Census Hispanic % of Total Population - California - 22.3%**
- Population age 25 and over - 1990 Census Hispanic Non H.S. Grad % of Total Hispanic Population - California - 14.8%

- ▶
- **Population age 25 and over - 1990 Census Hispanic % of Total Population - Merced Co. - 27.1%**
- Population age 25 and over - 1990 Census Hispanic Non H.S. Grad % of Total Hispanic Population - Merced Co. - 17.4%

- ▶
- Population age 25 and over - 2000 Census Hispanic % of Total Population - **California - 32.4%**
 - Population age 25 and over - 2000 Census Hispanic Non H.S. Grad % of Total Hispanic population - **California - 45.1%**

- ▶
- Population age 25 and over - 2000 Census Hispanic % of Total Population - **Merced Co. - 45.4%**
 - Population age 25 and over - 2000 Census Hispanic Non H.S. Grad % of Total Hispanic Population - **Merced Co. - 44.2%**

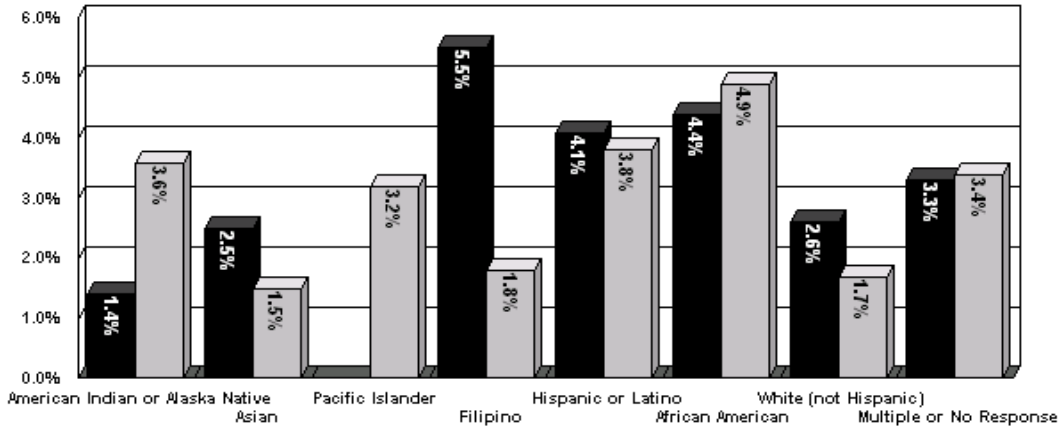
Merced County has a combined dropout rate higher than the State of California and one that is far lower than that of the nation; however, since the 1990 Census, the number of non-high school graduates has decreased while the number of Hispanic non-high school graduates has increased.

On the other hand, while the percent of Hispanics increased by 31 percent in California, the percent of increase of Hispanic non-high school graduates was more than 67 percent. Over the same period of time, Merced County experienced a 40 percent increase in Hispanic population but only slightly more than a 60 percent increase in the percent of Hispanic non-high school graduates.

Included, for your review are pertinent statistics in chart and graph form, which provide the basis for this analysis.

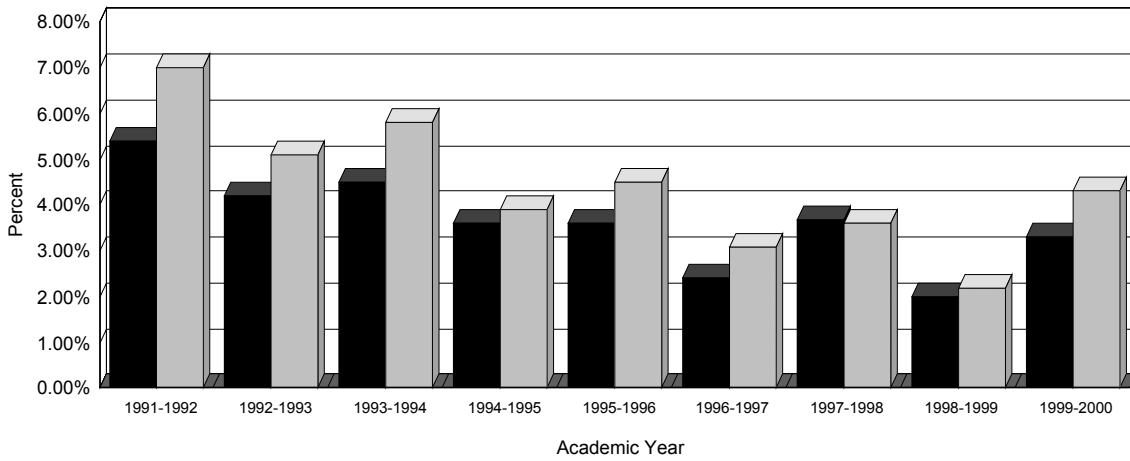
**Dropouts as a Percent of Enrollment (Grades 9-12) in California Public Schools
by County by District and Ethnic Group, 2000-01**

■ Merced County □ State



Merced Co. 10-Year Dropout Rate

■ All Dropout Rate □ Hispanic Dropout Rate

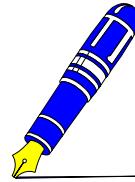


Dropouts as a Percent of Enrollment (Grades 9-12) in California Public Schools		State Total Population		State Total Population		County Total Population			
by County by District and Ethnic Group, 2000-01		Hispanic	281,421,906	Percent Hispanic	33,871,648	Percent Hispanic	210,554	Percent Hispanic	
			35,238,481	12.52%	10,969,132	32.38%	95,610	45.41%	
MERCED COUNTY									
District Name	American Indian or Alaska Native	Asian	Pacific Islander	Filipino	Hispanic or Latino	African American	White (not Hispanic)	Multiple or No Response	Total
DOS PALOS					11 (2.3 %)		2 (0.9 %)		
GUSTINE UNIFIED					16 (7.6 %)		10 (3.8 %)		
HILMAR UNIFIED				3 (150.0 %)	4 (3.3 %)	3 (42.9 %)	13 (1.9 %)		
LE GRAND UNION HIGH					3 (0.5 %)		1 (1.8 %)		
LOS BANOS UNIFIED				1 (7.1 %)	31 (2.9 %)	2 (2.5 %)	4 (0.5 %)		
MERCED CO. OFFICE OF EDUCATION		11 (16.2 %)			128 (25.7 %)	12 (16.2 %)	63 (24.9 %)		
MERCED UNION HIGH	1 (1.7 %)	29 (1.9 %)			102 (2.6 %)	13 (2.9 %)	49 (1.6 %)	2 (100.0 %)	
County Total	1	40		4	302	30	145	2	524
Dropouts as a Percent of Enrollment	1.4%	2.5%		5.5%	4.1%	4.4%	2.6%	3.3%	
State Total	576	2,356	373	875	24,976	7,118	11,366	259	47,899
Dropouts as a Percent of Enrollment	3.6%	1.5%	3.2%	1.8%	3.8%	4.9%	1.7%	3.4%	
Population Enrolled Grades 9-12		14,848,628		2,122,098		16,739			
Percent of Total Population		5.28%		6.27%		7.95%			

WIA Enrolled Youth Demographics		Percent of		Percent of		Documented	
Race	Number	Total	Limited English	Total	Aliens	Total	
Assian Indian	18	1.10%	7	38.9%	6	33.3%	
Cambodian	1	0.06%	0		1	100.0%	
Chinese	2	0.12%	1	50.0%	0		
Filipion	0	0.00%	0		0		
Guamanian	0	0.00%	0		0		
Hiwaiian	0	0.00%	0		0		
Japanese	2	0.12%	0		0		
Korean	2	0.12%	0		0		
Laotian	23	1.40%	7	30.4%	12	52.2%	
Samoan	4	0.24%	0		0		
Vietnamese	1	0.06%	0		0		
Other Pacific Islander	10	0.61%	2	20.0%	3	30.0%	
Other Asian	247	15.04%	69	27.9%	83	33.6%	
Black - African American	136	8.28%	3	2.2%	0		
Hispanic or Lation	929	56.58%	96	10.3%	158	17.0%	
American Indian/Alaskan Native	13	0.79%	0		0		
White	254	15.47%	4	1.6%	1	0.4%	
Total	1,642		189	11.5%	264	16.1%	

DIRECTORS NOTES

11/21/02



Local News

- Merced is playing a part in shaping the dialogue on WIA reauthorization. On November 14, your Director will be attending a National Association of Counties special subcommittee on WIA re-authorization in San Francisco. Additionally Merced is participating on a special committee of the California Workforce Association to Draft California's position on WIA re-authorization. As draft documents become available they will be shared with the WIB.
- The Department's Business Services unit is up and running in October. The unit will be organizing employer focus groups to solicit input on needed services. The WIB private sector members will be a critical source of information and support of these services.
- The Department has developed, with the City of Merced a training partnership for law enforcement officers. This concept and the subsequent exception to the eligible training provider list is before the WIB at the November 21, 2002 meeting. If approved, the concepts can then be expanded to other communities.
- The Department is working to adjust our contract budget with the Human Services Agency to accommodate the reduction in CalWorks funding allocation from the State affecting all Counties. We will be noticing the WIB via the Executive committee of adjustment to the Department, if any that may affect the WIB.

State/Local News

- The Final Performance Standards for program year 2001 (year 2) were posted by the State without further negotiations on November 7, 2002. The State accepted some of the negotiated standards of the San Joaquin Valley group. Merced's performance can be found in the WIB information item, "WIA re-certification".
- The California Workforce Association (CWA) will be hosting a WIB/Directors team statewide meeting in January in Southern California. The Ford Foundation and the Department of Labor will fund the meeting. The topic will be "How the WIB can take a larger leadership roll in Community issues". As information on specifics of this event occurs they will be provided to the members.

- Merced is still participating in the State Board work group on One stop certification. The model worked on by the WIB standards and Certification committee was shared with the work group. State Board congratulated Merced on the job they did and will make the Merced process available as a model for other WIBs.
- The Department has collaborated with the Merced agencies that receive Carl D. Perkins funds to provide comment on the reauthorization of that Legislation. Those agencies are Merced Adult School, Merced College, and Merced Office of Education.

State and National News

- The Administration announced in October that there will new common performance measures for workforce development programs in seven federal agencies. The measures were developed by the Office of Management and Budget and have been agreed to by the Secretaries of Labor, Education, HHS, Veterans Affairs, Interior and HUD. The plan is to move the common measures into statute as re-authorization and other opportunities come up. The common measures are:

ADULT PROGRAMS	YOUTH & LIFELONG LEARNING PROGRAMS
<p>Entered Employment</p> <p>Retention (% employment in the 1st quarter after program exit that were still employed in the 2nd/3rd quarter)</p> <p>Earnings Increase (% increase)</p> <p>Efficiency (annual cost per participant)</p>	<p>Placement in employment or Education (1st quarter after exit)</p> <p>Attainment of degree/certificate</p> <p>Literacy and Numeracy Gains (using a standard assessment instrument)</p> <p>Efficiency (annual cost per participant)</p>

- U.I wage records will be the primary source for the measures. Examples of programs covered include: everything at DOL, Vocational Education, Vocational Rehabilitation, Tech-Prep, TANF, Youth Build, Migrant and Seasonal Farmworkers.
- The National Association of Workforce Boards annual conference will be held in Washington D.C., March 2-4, 2003.

**Workforce Investment Board
Of Merced County
2003 Meeting Dates**

January 23, 2003, 3:00p.m.-5:00p.m.

March 20, 2003, 3:00 p.m. – 5:00 p.m.

May 22, 2003, 3:00 p.m. – 5:00 p.m.

July 24, 2003, 3:00 p.m. – 5:00 p.m.

September 25, 2003, 3:00 p.m. – 5:00 p.m.

November 20, 2003, 3:00 p.m. – 5: 00 p.m.

Location To Be Announced